

MIN 8201

602

C

**REGIONAL PLANNING FOR BALANCED SOCIAL AND
ECONOMIC DEVELOPMENT - A PORTUGUESE CASE STUDY**

(met een Nederlandse samenvatting)

by

JOSE LUIS FERREIRA MENDES

BIBLIOTHEEK
DER
LANDBOUWHOGESCHOOL
WAGENINGEN

Wageningen

1974

STELLINGEN

1. Whereas the relative and absolute decrease of agricultural manpower is a necessity in the course of socio-economic development in an industrial society, rural exodus can be connected with it but is in general a process which should and also can be avoided, if certain precautions are taken in time.
2. The dominating position of the town and of secondary and tertiary activities in Portuguese society increases, to a dangerous extent, the lack of balance and social inequality between the "city state" and under-developed rural regions.
3. Industrial decentralisation, particularly by the increase in the number of small and medium-size industries in proportion to the local environment and the development of subcontracting, are essential prerequisites of regional revival.
4. The development of tourist facilities in rural areas can be an important share to their revival.
5. From the sociological view point, the acceptance of values of the industrial society by the agricultural population influences mobility to a very great extent.
6. The growing interconnectedness of the chains of functional interdependencies, existing within society, is a factor tendentially calling for the loss of significance of the static conception of a "region". In this light, "region" is bound to become itself a dynamic and pragmatic concept. However, on the other hand, there exist historical, cultural and situational reasons calling for regional individuality which cannot be ignored and which often result, even emphasized, as a reaction by the very levelling tendencies of modern mass-society. The tension arising from the two series of contrasting factors is bound to form an issue of increasing importance for regional planning in the future.
7. The typical divergence between life in the capital city or major central cities and provinces, and the "magnetic" attraction of the former to the higher talents can be considered as an illustration of the effects of the education process on the distribution of population.

8. The effectiveness of financial incentives of a given size in bringing new industry into a region, or in expanding an existing industry within a region, depends on whether they are automatically available to all firms, meeting defined criteria, or whether they are available only on a selective basis.
9. The technical efficiency or ~~success~~ of regional infrastructure development projects does not measure its efficiency or success in achieving the objectives of regional policies.
10. The importance of the role that may be played by locally generated public finance in a region depends not only on the financial capacity of the region itself but on the nature of the public finance system, and the range of functions assigned to local or regional authorities.
11. All O.E.C.D. Member countries are affected by the regional policies of others, particularly those with important regional problems.
12. The Arab occupation has influenced decisively the Portuguese development pattern.
13. Emigration generates singular "landslide" effects on the set of values, economic composition and social stratification at every level and in all categories of the Portuguese population.

TITLE OF THE DOCTOR'S DEGREE THESIS: "REGIONAL PLANNING FOR BALANCED
SOCIAL AND ECONOMIC DEVELOPMENT - A PORTUGUESE CASE STUDY"

BY

JOSÉ LUIZ FERREIRA MENDES

REGIONAL PLANNING FOR BALANCED SOCIAL AND ECONOMIC DEVELOPMENT - A PORTUGUESE CASE STUDY

(met een Nederlandse samenvatting)

by

JOSE LUIS FERREIRA MENDES



Wageningen

1974

1517 - 109129-02

Dit proefschrift met stellingen van

JOSE LUIS FERREIRA MENDES

landbouwkundig ingenieur, geboren te Lobito (Angola)
op 26 oktober 1940, is goedgekeurd door de promotor
Dr. E.W. Hofstee, hoogleraar in de Empirische Sociologie
en Sociografie, alsmede in de Sociale Statistiek.

De Rector Magnificus van de Landbouwhogeschool,
H.A. Leniger

Wageningen, 19 september 1974.

JOSÉ LUÍS FERREIRA MENDES

"REGIONAL PLANNING FOR BALANCED SOCIAL AND
ECONOMIC DEVELOPMENT - A PORTUGUESE CASE STUDY"

(met een Nederlandse samenvatting)

"REGIONALE PLANNING VOOR EEN EVENWICHTIGE SOCIALE
EN ECONOMISCHE ONTWIKKELING - EEN PORTUGUESE CASE STUDY"

PROEFSCHRIFT

TER VERKRIJGING VAN DE GRAAD
VAN DOCTOR IN DE LANDBOUWWETENSCHAPPEN,
OP GEZAG VAN DE RECTOR MAGNIFICUS DR. IR. H.A. LENIGER
HOOGLERAAR IN DE TECHNOLOGIE
IN HET OPENBAAR TE VERDEDIGEN OP
VRIJDAG 15 NOVEMBER 1974
DES NAMIDDAGS TE VIER UUR IN DE AULA
VAN DE LANDBOUWHOGESCHOOL TE WAGENINGEN

BIBLIOTHEEK
DER
LANDBOUWHOGESCHOOL
WAGENINGEN

To my father, Alberto Ferreira Mendes

CONTENTS

ACKNOWLEDGMENTS	13
PREFACE	15
INTRODUCTION	19
 I. NATURE AND DYNAMICS OF DEVELOPMENT AT THE REGIONAL LEVEL	
1. THE SCOPE OF DEVELOPMENT	29
1.1. THE CONCEPT OF DEVELOPMENT	29
1.2. DEVELOPMENT PROCESS AS GENERATION AND DIFFUSION OF INNOVATIONS.	33
2. THEORIES OF SPATIAL ORGANIZATION AND TRANSMISSION OF DEVELOPMENT	40
2.1. BALANCED AND UNBALANCED GROWTH IN A REGIONAL SETTING	40
2.2. POLARIZATION PROCESS	42
2.3. TOWARDS A DYNAMIC PROCESS OF DEVELOPMENT DIFFUSION AND CHANGE	43
2.4. THE INCIDENCE OF THE INNOVATION PROCESS ON REGIONAL DEVELOPMENT STRATEGIES	47
3. DIFFUSION OF INNOVATIONS AND REGIONAL DEVELOPMENT STRATEGIES	53
4. FROM NATIONAL TO REGIONAL PLANNING	58
 II. THE PORTUGUESE CASE STUDY	
1. GENERAL CONDITIONS FOR REGIONAL DEVELOPMENT	67
1.1. HISTORICAL BACKGROUND	67
1.2. SOME FEATURES OF PORTUGUESE REGIONAL SOCIETIES	75
1.3. DISCUSSING THE PORTUGUESE REGIONAL SOCIETY MODEL	89
2. THE TRADITIONAL PATTERN OF PORTUGUESE DEVELOPMENT AND ITS SOCIAL CONSEQUENCES	97
2.1. RECENT EVOLUTION AND REAL SITUATION OF THE REGIONAL UNBALANCES IN THE COUNTRY	97
2.2. SOCIAL CONSEQUENCES OF THE TRADITIONAL PATTERN OF PORTUGUESE DEVE LOPMENT	128
2.2.1. SOCIAL CONSEQUENCES OF REGIONAL DICHOTOMIES	128
2.2.2. SOCIAL EFFECTS OF POLARIZATION	132

2.2.3. SOCIAL EFFECTS OF THE EMIGRATION FLOW TO ABROAD	134
2.2.3.1. THE MAIN FEATURES OF THE PORTUGUESE EMIGRATION AND THE PROBLEMS OF RETURNING EMIGRANTS	143
2.2.3.2. THE DYNAMICS OF EMIGRATION AND THE MODEL OF PORTU GUESE DEVELOPMENT	145
3. THE INSTITUTIONAL CONTEXT AND THE REGIONALIZATION PROCESS IN PORTUGAL	147
3.1. PORTUGUESE ADMINISTRATIVE ORGANIZATION	147
3.1.1. MUNICIPALITIES	147
3.1.2. SUB-MUNICIPAL UNITS	150
3.1.3. DISTRICTS	151
3.2. THE EMERGENCE OF PORTUGUESE REGIONAL PLANNING	152
3.2.1. FROM HOMOGENEOUS TO PLANNING REGIONS	152
3.2.2. THE GROWING PLACE OF THE REGION IN PORTUGUESE DEVELOPMENT PLANNING	154
3.2.2.1. DISPARITIES IN DEVELOPMENT BETWEEN REGIONS . . .	155
3.2.2.2. PLANNING THE SOCIAL FRAMEWORK IN RURAL AND URBAN ENVIRONMENTS	158
3.2.2.3. DECENTRALIZATION AND PARTICIPATION AT THE REGIO- NAL LEVEL	160
3.3. THE REGIONALIZATION PROCESS IN PORTUGAL	161
3.3.1. GENERAL TREND AND EVOLUTION OF PORTUGUESE PLANNING . .	161
3.3.2. THE BASIS OF THE PORTUGUESE REGIONALIZATION	167
3.3.3. THE ORGANIZATION OF THE 1969 REGIONAL REFORM	171
3.3.3.1. THE REORGANIZATION OF THE TERRITORIAL STRUCTURES	171
3.3.3.2. THE CREATION OF A NEW CONSULTATIVE SYSTEM . . .	174
3.3.3.3. THE REPORT ON "ORDENAMENTO DO TERRITÓRIO" POLICY	176
3.3.4. THE PROCEDURE FOR THE REGIONALIZATION OF THE FOURTH PLAN (1974-1979)	177
3.3.4.1. PREPARATION OF THE REGIONAL ORIENTATION REPORTS.	178
3.3.4.2. PREPARATION OF THE REGIONAL SECTION OF THE PLAN.	183
4. PORTUGUESE REGIONAL DEVELOPMENT POLICY	189
4.1. GUIDELINES OF THE "ORDENAMENTO DO TERRITÓRIO" REPORT	189
4.1.1. THE BASIS OF THE POLICY OF TOWN AND COUNTRY PLANNING. .	190
4.1.1.1. THE PORTUGUESE REGIONAL STRUCTURE AT THE BEGINING OF THE INDUSTRIALIZATION PROCESS AND THE INCIDEN CE OF THE NEW FACTORS OF CHANGE	190
4.1.1.2. THE EVOLUTION OF THE TERRITORIAL DISTRIBUTION OF THE POPULATION	194

4.1.1.3. IDENTIFICATION OF THE POTENTIALITIES FOR DEVELOPMENT	197
4.1.2. OPTIONS AND STRATEGY OF A POLICY OF TOWN AND COUNTRY PLANNING	203
4.1.2.1. THE MAIN GUIDELINES OF THE III DEVELOPMENT PLAN . .	203
4.1.2.2. OVERALL STRATEGY OF TOWN AND COUNTRY PLANNING . . .	206
4.2. SALIENT ASPECTS OF THE PORTUGUESE REGIONAL DEVELOPMENT MODEL . .	212
4.2.1. THE BASIC ATTRIBUTES OF THE PORTUGUESE SPATIAL MODEL . . .	212
4.2.2. TOWARDS A DYNAMIC SOCIO-ECONOMIC REGIONAL INVESTMENT MODEL	225
5. TESTING THE PORTUGUESE REGIONAL DEVELOPMENT MODEL	228
5.1. PORTUGUESE URBAN CONCENTRATION	228
5.1.1. THE METROPOLITAN AREAS OF LISBON AND PORTO	228
5.1.2. THE CASE OF LISBON	230
5.2. THE DEVELOPMENT OF POTENTIAL AREAS AND THE "GROWTH CENTRES" POLI- CY	242
5.2.1. THE NEED FOR SECONDARY CENTRES	245
5.2.2. SOCIAL ASPECTS ON PLANNING OF SETTLEMENT PATTERN	248
5.2.3. THE CASE FOR RURAL CENTRES	253
5.2.4. THE CASE FOR RURAL ORDERING POLICY	263
5.2.5. RURAL-URBAN NETWORK AND THE PORTUGUESE "ORDENAMENTO DO TER- RITÓRIO" POLICY	266
5.3. THE CASE OF BACKWARD AREAS	278
5.3.1. SOCIO-STRUCTURAL PROBLEMS IN BACKWARD AGRICULTURAL REGIONS.	278
5.3.2. THE PROBLEM OF OUT-MIGRATION	281
III. SOME BASIC IMPLICATIONS FOR THE PORTUGUESE RE- GIONAL PLANNING	
1. THE NEED FOR A SOCIAL APPROACH	293
1.1. SOCIAL ASPECTS ATTRIBUTABLE TO THE NATURE AND DYNAMICS OF REGIO- NAL MODERNIZATION	293
1.2. SOCIAL ASPECTS OF REGIONAL ECONOMIC DEVELOPMENT	304
1.3. SOCIAL RELATIONSHIPS AFFECTING PLANNING FORMULATION FOR REGIONAL DEVELOPMENT	308
1.3.1. SOCIAL ASPECTS OF THE PLANNING PROCESS	308
1.3.2. INSTITUTION BUILDING FOR WIDER PARTICIPATION IN REGIONAL PLAN FORMULATION	313

2. THE NEED FOR A NEW ENVIRONMENTAL FRAMEWORK	321
2.1. DECISION-MAKING AND INSTITUTIONAL FRAMEWORK	321
2.1.1. THE RESISTANCE TO CHANGE AND THE BALANCES OF DECISION-MAKING IN PORTUGUESE REGIONAL SOCIETY	321
2.1.2. DECISION-MAKING SYSTEM, SOCIAL FUNCTIONS AND MEANS OF ACTION OF THE STATE	324
2.1.3. THE ACTION OF LOCAL LEADERSHIP VIS-A-VIS THE STATE	328
2.1.4. THE INCIDENCE OF THE POLITICAL FACTOR	331
2.1.5. THE PORTUGUESE INSTITUTIONAL IMPASSE	334
2.2. ECOLOGY OF THE PLAN	336
2.2.1. POLITICAL ORGANIZATIONS	337
2.2.2. THE REGIONAL LEVEL ON THE PORTUGUESE TRANSITIONAL SOCIETY.	340
2.2.3. SOCIO-ECONOMIC GROUPS	346
2.2.4. THE PUBLIC	347
2.2.5. OFFICIAL BUREAUCRACY	348
2.2.6. SCIENTIFIC RESOURCES AND TECHNOLOGY	349
2.3. THE PLANNING APPROACH	350
3. THE NEED FOR A NATIONAL BALANCED STRATEGY.	360
3.1. GROWTH CENTRES IN PORTUGUESE REGIONAL POLICY	360
3.1.1. THE INDUSTRIAL GROWTH CENTRES	361
3.1.1.1. THE SMALL AND MEDIUM-SIZED GROWTH CENTRES	362
3.1.1.2. THE LARGE GROWTH POLES	364
3.1.2. THE URBAN NETWORK	370
3.1.2.1. THE REGIONAL CAPITALS	371
3.1.2.2. THE INTERMEDIATE AND LOWER URBAN LEVEL	373
3.1.3. THE NEED FOR RESEARCH INTO THE OPTIMUM SPATIAL DISTRIBUTION OF SOCIO-ECONOMIC ACTIVITIES	374
3.2. INTERREGIONAL DEVELOPMENT STRATEGY	381
3.2.1. TOWARDS A "NATIONAL REGIONAL STRATEGY"	381
3.2.2. MAINTAINING A NATIONAL BALANCE	388

4. CONCLUSIONS	393
I SUMMARY	415
II SAMENVATTING	421
III NOTES	427
IV SELECTED BIBLIOGRAPHY	443
V CURRICULUM VITAE	451

ACKNOWLEDGMENTS

My research in Holland during 1970-1974 was made possible by a grant from the "Junta Nacional de Investigação Científica e Tecnológica" and also by the diligence of the General Director of Portuguese Central Planning Agency, Mr Corrêa Gago. The Central Planning Agency extended to me the financial help required for the terminal stages.

I am indebted to numerous Portuguese and Dutch colleagues and friends for their invaluable support in the preparation of this study. Indeed, I regret that owing to their great number it is not possible to acknowledge each individual's efforts.

Mention must be made, however, of my promotor, Professor Hofstee of the University of Wageningen for his cooperation in arranging for my research position at the Rural Sociology Department (Division of Western Countries) of the University of Wageningen. Professor Hofstee's continuous aid while I was in Holland deserves special recognition; it was a privilege to be associated with this eminent and humane scholar.

I am also grateful to Dr. IR. Bruno Benvenuti of the same University for his very valuable criticisms and stimulating discussions on this thesis. Taking into account my basic background in development planning, the regular and ceaseless assistance of this genuine sociologist was particularly welcome, useful and rich for the improvement of my balanced approach on regional development planning.

This study similarly benefited from conversations which I had in the Hague with Professor Hilhorst, Chairman of the Regional Development Planning Course at the Institute Of Social Studies and also with Professor Castro Caldas of the University of Lisbon.

In addition, I wish to express my appreciation for the cooperation extended by numerous officials and staff members of the Portuguese Central Planning Agency, the Dutch "Centraal Plan Bureau", the Institute of Social Studies, the Economic Faculty of Rotterdam, the International Federation for Housing and Planning, the International Union of Local Authorities and the University of Wageningen. In the typing of my manuscript

cript I received valuable assistance from Mrs Titia Scholten of the Institute of Social Studies. Although the merits of this thesis owe much to these individuals the responsibility for all deficiencies is mine.

Finally, one of the my greatest debts is to my friends Liesbeth Kramer and Mr and Mrs Da Silva who managed to provide me with and ideal working atmosphere and who did so much to make my stay in Holland such a rewarding experience in both scholarly and human terms.

PREFACE

As a contribution to the new discipline of regional planning, this thesis provides a general framework for regional development policy in Portugal and corresponding organizational structure and functions.

During the recent decade most countries have witnessed two striking trends in the theoretical thinking and practical efforts within the field of regional development. One is the gradual shift of emphasis from the problems of the individual region to the problems of growth and change within a system of regions that are tied together by a number of inter-exchange and competitive relations. The second trend is the integration of an increasing number of factors of development which has enlarged the scope of regional planning schemes from being directed to economic factors only to include all relevant aspects of development, that is social, cultural and institutional as well. Therefore, if development planning is to be efficient, it must be comprehensive in scope.

However, the key recognition beneath comprehensive inter-regional planning at the national level is not so much that functional aspects of development are linked together, and that regions are open systems, interacting with each other, but the recognition of interdependence between national development and the structure and evolution of the spatial sub-system. It is necessary to distinguish between the two sides of this interdependency, namely, the impact of economic development on the spatial evolution, and the impact of spatial structures on economic development.

It seems pertinent to underline the two-way, or interactional character of the relation between the functional and spatial sub-systems in societal development: in fact, this implies that inter-regional planning aimed at controlling and directing this process must be conceived in a dynamic way. It is one of the main tasks of this thesis to enquire into this process of interaction and to explore the implications for Portuguese regional planning at the national, and to a certain extent also at the regional level, that can be derived from it, namely through the Portuguese "ordenamento do território" policy.

In the course of 1974 a new development plan for Portugal starts which covers the period till 1979. Considering the me-

thods of planning which have been employed in the country, one could state that improvement in the planning process should take place both in the formulation of the plans and in their implementation. That is the case of making use of the economic model for the Portuguese economy, of achieving a better intersectorial coordination, as well as of reaching a more rational resource allocation in space.

On the other hand a two way process in regional planning is needed, whereby the main directions of development strategy and priorities decided on the national level will be used in planning on lower levels; at the same time, plans and policies regarding programmes at the lower levels and individual projects will influence planning at the national level. This implies the necessity for an integrated machinery at national and regional levels. Thus, in this context, another important aim of this thesis is to analyse the Portuguese regionalization process and correspondent perspectives of evolution.

Portuguese regional development planning initiated in the course of the Third Development Plan paid a special attention to the importance of reorganizing the country's spatial system towards national integration. In a sense, we can interpret this goal as spatial economic integration providing for more balanced development process over the whole country.

Nevertheless, this aspect is closely linked to i) social integration leading to schemes of effective participation of the population in the process of decision-making, as well as to ii) modernization of society by spreading innovative effects conducive to continuous change.

A general formulation of the long-term national objective for regional development is the creation of regional location and settlement structures encouraging the spatial integration of national economic, social and cultural life, and which are better able to promote faster and more stable national and economic growth.

Considering the specific conditions existing in Portugal, the promotion of centres for achieving both appropriate settlement size and their integration with their surrounding rural areas, seems to be necessary for breaking down the present situation of a dualistic society with two different mentalities and ways of living.

Within the framework of these tasks, as far as regional planning is concerned, it seems advisable to take into account the experience meanwhile acquired, in order to try to define some guidelines for the IV Development Plan. Thus, the purpose of the study is to analyse new development perspectives and ideas concerning the form and functions of regional and local level, by comparing the different points of view on the importance of regionalization process. It is the intention that this work will be presented for discussions at the Regional Planning Division, in Lisbon. It is my hope that the work I have done as well as the contributions which will be made by my colleagues, will serve to clarify current thinking and to stimulate regional planning in depth on a subject that vitally affects my country.

The last but not the least this thesis has been prepared primarily with the intention to influence three groups of people. Firstly, social scientists who wish to explore what their own disciplines have to offer, individually as well as collectively, towards the solution of regional problems. Secondly, it is designed for research workers, teachers and students of regional planning to whom it offers a challenge as well as a scope for further work. And finally, it is addressed to the policy makers, the administrators and all those who are concerned with the future of man to bring home the implications of the policy decisions, strategies and methods used in solving the problems of regional imbalances in socio-economic development.

INTRODUCTION

1. Like many other countries, Portugal is facing numerous major problems related to regional imbalance and consequently to the location of economic activity. An unfortunate tendency has long been to judge the economy almost solely from the viewpoint of national production and consumption aggregates, without reference to the spatial incidence of economic activity.

However, as John Friedmann and William Alonso have emphasized the "decision of where to locate a new project is as important as the decision to invest in it. The questions of social justice in the distribution of the fruits of economic development are as important and as different in terms of regions as in terms of classes" (1).

Thus, increasingly, attention is not being limited to the overall results of national development; the results are being accepted as satisfactory only if they concern the whole of the country, if each region is able to contribute and participate in the national growth. In short, the concept of economic development tends more and more to include not only aggregate measures but also distributional aspects pertaining to occupations, sectors and regions. And in the same way as the interdependence between sectoral changes and spatial evolutions has come to be understood, the problem of outlining an economic development strategy, that reconciles the aims of justice in spatial distribution and rapid economic growth, becomes an overriding issue. "But the conceptual structure necessary for the intelligent making of policy is in its infancy. The social sciences, principally economics and sociology, have been laggard in taking notice of space; while geography, which has always dealt with space, has lacked analytic power". (2)

Two modes of action have been employed, influencing the distribution of the fruits of development. It is a common experience that the first strategy, that of enhancing the consumption possibilities of the lagging regions through spatial redistribution of income, had only limited developmental impact and in the long run tended to be very costly without holding strong promises of substantial developmental effect. The task facing Portugal, like many countries that have severe problems of spatial imbalance in economic structure and trends of growth, has been therefore to influence the spatial organization of production in the context of a comprehensive long-term policy of development.

In the first part of this thesis, the general principles governing the evolution of an area's spatial organization du

ring economic growth will be outlined. The tendency towards, and rationality of formation of agglomerations, which during time combines into hierarchical systems, have been stressed. Backward regions are normally characterized by their remaining outside this pattern of spatial reorganization. Hence it can be concluded that the impact of spatial organization upon economic development is largely to be identified in the forces making for the spatial coincidence of urbanization and industrialization. However, the full implication of these economics for urban-industrial growth and spatial planning was not brought out until the emergence of the so-called growth pole theory. I will try to show that this theory in its application to geographical space, together with the well-known Christaller's central place theory and the theories of the roles of the cities in socio-cultural change, hold the clue to an understanding of the impact of spatial organization upon economic development.

Another basic development theme of this first part concerns the spatial diffusion of innovations. I will underline

that new inventions are largely associated with the economic and socio-cultural atmosphere of cities. However, the key question from the point of view of spatial integration is how and with what speed the innovations are diffused throughout the rest of the country. Although the theory of spatial diffusion originally was developed as a positive micro theory applicable to relatively well developed societies, it seems that it is of equal importance when reformulated into an instrumental aggregate macro theory applicable to developing countries.

Viewing modernization as consisting of introduction and spread of innovations, the choice of propagation strategies becomes a very important problem. It is to the solution of this problem that the instrumental formulation of the aggregate theory of spatial diffusion opens new roads pointing to the possibilities of exploiting the forces inherent in the already established system of normative centres and networks of social communication to introduce innovations in selected centres strategically located in the spatial communication system.

Instead of working against or trying to enforce other patterns of diffusion, efforts should be made to identify the prevailing systems in order to exploit their ability to disseminate and persuade. The attention will be concentrated on the breaking down of resistance factors so as to speed up the rate of adoption. However, if the prevailing systems of normative centres and communication linkages are so structured that large parts of the country remain outside leading to very slow diffusion, the theory suggests that in order to speed up the introduction of modernization, new centres and new paths of spread have to be established. This

the conclusion is perhaps the most important one when theory of spatial diffusion is to be applied to the formulation of developmental spatial planning.

2. The subject-matter of this study is the Portuguese regional development. The term regional development is used throughout this thesis to denote processes and activities which aim at arranging population and human activities in space and which:

- i) have as their main aim the improvement of living conditions (economic, social) of the population at large;
- ii) reflect a multi-dimensional approach towards development and
- iii) take the regions as the assential units in organizing these activities.

According to Perloff⁽³⁾ I distinguish between the "political-social" and the "technical" functions of regional planning. Under the political functions I cover the setting of objectives, the formulation of alternatives and the definition of criteria for choosing between them. Under the "technical" aspects I still distinguish between the analytical techniques of regional planning (establishing an information system, projection techniques, programming techniques) and the operational techniques (the handling of policy instruments) to achieve given objectives through alternative strategies.

This thesis deals with the political-social functions (and relative institutional framework) of regional planning and with the operational techniques of handling policy instruments - in the context of the "ordenamento do território" policy -, but not with analytical techniques.

The basic idea behind the ^{concept of} "ordenamento do território" concept is that the spatial organization (i.e., the pattern of clusters of human activity interconnected by movement networks, resulting from locational and temporal interrelations and its consequent evolution) may constitute important elements of an integrated framework within which mutual interrelations between national and interregional development can be identified and analysed.

For evaluating the evolution of the objectives and means which have characterized the Portuguese "Ordenamento do Território" policy, I will rely, in a large measure, on a general po-

licy model formulated in the light of relevant theoretical and empirical considerations from economics and related social disciplines.

One of the basic attributes of this model is its distinction among three types of analytical regions: congested (or metropolitan), developing, and backward. The advantage of this distinction over the common division between "developed" and "underdeveloped" regions is that it comes to grips directly with the problem of overconcentration of population and economic activity in some areas, a problem too often neglected in favour of studying the difficulties experienced by relatively underdeveloped regions. Moreover, the concept of developing region helps to clarify the issue of the opportunity costs of investing in backward regions when there are better alternatives elsewhere from a national and social viewpoint.

After the build-up of this model, the circumstances which have given rise to the evolution of the Portuguese regional development policy will be compared with the assumptions of this basic model. The methods and aims of these programs should be described in detail and evaluated in terms of their correspondence to prevailing social preferences and rational use of economic resources.

Attention will be given to the basic theoretical notions that have animated the Portuguese thought concerning regional development and urban-rural integration, as well as to concrete measures which have been undertaken or which are envisaged for the future. On the basis of these considerations an effort will be made to formulate a number of generalizations regarding the potential strengths and difficulties of regional planning policy-making and a number of operationally feasible proposals will be set forth for dealing with the difficulties.

3. On the other hand, Government activity to guide economic and social development involves not only the activity of policies and programmes but also the closely related processes of formulation of goals and means and ^{of} appraisal of the results.

If planning for regional development is intended to intervene realistically upon reality, it should be a continuous process in which the various units and levels of government subject the entire process to continuous review and evaluation leading to adjustment of plans, programs and projects whenever necessary. Review and evaluation then form the transition to a new cycle of planning and decision-making, moving ahead in time on the basis of

a continuous stream of feedback information. At the same time, the fact is stressed that planning is actually a combination of plan formulation and plan implementation.

Institutional framework, in the modern sense of the process of achieving intended results through organizations, is a major factor at all levels - national, regional, sectoral and local. There was a time when proposals for new development projects - particularly large programs for resource development, new industries, improved education and health services - were considered only in terms of economic and technical feasibility. After many unfortunate failures, institutional feasibility has come to be recognized as also an important dimension of planning.

Within the framework of these tasks, as far as regional planning is concerned, it seems to be advisable to take into account the experience meanwhile acquired with the aim of an attempt to define some guidelines for the IV Development Plan, namely for its implementation. In this respect, in order that a clear account can be given of the place and the role of regional institutions in the Portuguese planning, the following points must be analyzed:

- the social and political process through which the regional set-up has been progressively defined in the course of the past ten years;
- the nature and the mechanism of regional planning within the national planning structure, since it is around this planning function that the regional institutions have been constituted;
- the changes which the creation of the recent regional planning "apparatus" and consultative echelon has brought about in the traditional equilibrium in the relationships between the central level and the local authorities in Portugal (centre-periphery relationships).

4. Therefore, this thesis is not supposed to have merely a theoretical and normative character. On the contrary, on the basis of an analysis of the existing characteristics and problems at several levels, it aims at applying both the theory and the other planning experiences in establishing a pragmatic and operational approach suitable to improve the process of interregional planning in Portugal.

The main part of the thesis - the Portuguese case study - is preceded by a first part where I will try to summarize the key aspects of spatial organization and diffusion of innovations, the knowledge of which seems to be necessary for a better understanding of the following chapters.

Thus, an attempt is made to deal with the development of the process of interregional planning in Portugal, first by taking into consideration the implications of spatial long-term objectives on the formulation and implementation of a medium-term plan, and, second, by examining the decision-making and planning processes of the medium-term plan itself.

Furthermore, in order to characterise the Portuguese regional planning model it is necessary to describe not only the social and economic bases which support it, but also the mechanisms of decision-making which make it feasible. Thus, in the beginning of the second part, an attempt is made to analyse either the historical background of the country, or the main features of Portuguese societies in order to understand the mechanisms of dependency and the socio-political processes which underpin the Portuguese development and the regionalization process. Such aspect shows very clearly the linkage between the system of local centralism and the national decision-making centre in a closely articulated centre-periphery relationship, manipulated from the centre.

Resuming, the principal tasks or goals of this thesis are:

- i) to develop an original regional planning approach on the basis of the linkage between the spatial organization of the territory and the process of diffusion of innovations;
- ii) to study the Portuguese regional planning either in terms of regional development policy, or in terms of regionalization process;
- iii) to describe and test against a theoretical model the achievements, shortcomings, and prospects of the Portuguese planning experience in dealing with spatial resource allocation in both theoretical and practical terms;
- iv) to show how Portuguese regional planning has developed with decentralizing economic activity into a comprehensive framework wherein local, regional and

national public authorities and representatives of major economic groups operate in the preparation of "regional programs", constituting the spatial counter part of the national plan by sectors;

- v) to analyse the decision-making and planning processes relating to those objectives and, also, to evaluate the place of regional planning in the overall planning process pointing out a number of institutional requirements for effective regional planning.

PART ONE

**NATURE AND DYNAMICS OF DEVELOPMENT
AT THE REGIONAL LEVEL**

I. NATURE AND DYNAMICS OF DEVELOPMENT AT THE REGIONAL LEVEL

1. THE SCOPE OF DEVELOPMENT

1.1. THE CONCEPT OF DEVELOPMENT

The concept of development as applied to society is a very complex one ⁽¹⁾ and some studies even regard it as perhaps unnecessary. Although it includes economic growth as one of its essential aspects it goes far beyond this to encompass the complex of inter-dependent changes in the society as a whole which bring the society forward according to the prevailing value-judgements. ⁽²⁾ Furthermore the steady growth in the number of explosive social, economic and political conflicts in industrialized countries - which until quite recently served as parameters for the degree of development - has helped to make the problem even more complex. The same phenomenon is beginning to be observed in Portugal as a result of the growing frustration caused by the experience of the last development plans. However, in order to acquire an understanding of the development process in its entirety, it seems necessary, for research purposes, to work in practice with empirical conceptions of development even if they do not give a complete insight of the dynamics of this process and its main phenomena. Otherwise, adequate sound policies, strategies and programs cannot be formulated.

The most common formulations in Portugal are those which make the intrinsic nature and the problems of development turn around substantial changes in the system of production. The analyses in question, which generally might be called "economic development" analyses have to a large extent been the basis of Portuguese development plans and strategies and ^{have} determined their direction. Less emphatically and with less force, other analyses treat this process as revolving around certain specific social and political factors and phenomena such as influence of "European integration" and relationship with the Common Market, or "value systems", the emigration and the role of "strategic" groups or classes. Although some of these factors - such as "European integration" - have been accepted to some extent by planners and politicians, it cannot be said that European integration has played an important role in the interpretation and solution of development problems in Portugal.

The unsatisfactory situation with regard to the conception of development arises also with respect to the development process in its application to a particular area or locality. Here can be said certainly that social planners and researchers agree that a regional development theory covering all the intentions and purposes is non-existent. (3) (4)

Thus, it seems useful for the purpose of this thesis to employ a relatively high level in the identification of development, specially on a regional basis; we shall therefore attempt to outline the extent to which a frame of reference for the identification of the social variables of major interest is feasible.

One could say that by the present state of knowledge it is highly questionable whether even from the theoretical point of view one could arrive at an unanimous and fixed definition of the concept. Very generally speaking "developed" societies are societies having reached a high degree of differentiation and heterogeneity both from the cultural and the structural point of view. They are also societies characterized by urbanization - even "mental" urbanization; by profound technological and organizational dynamics; by secularization of values, high division of labour, accelerated and diffuse rates of change, rising expectations, etc..

However, inherent to the original concept of "development" there seems to be a positive evaluation - or the promise of a better future - which is not automatically confirmed by several aspects assumed by social life in the "developed" countries, particularly in the Western world. The abundant literature on anomia, alienation, the appearance and growth of new deprived groups in town and countryside, the eclipse of community, the loss of identity of individual, groups, localities and districts, the uprooting of the institutional means of local control, the clash of contrasting cultural sub - (or partial) - goals having become institutionalized and living an existence of their own, independent of the global goals of society, and many more issues seem to indicate that "development" is not a notion apt to be defined by arm-chair theorists or methodologists. A definition of what is to be intended by such a concept can only come by a societal definition of both the social goals worth striving for, and the means apt to favour the attainment of these goals at minimum social costs.

In this way the "naïve" conception of development, as a stage of the societal organization responding to a well defined picture independent of the means to reach it, becomes more and more doubtful.⁽⁵⁾ In the end "development" is an "ideal" concept (each society defining itself the goals which it intends to reach) and that is the reason why the focus of the attention must primarily be directed to the process of, and the means for, defining valuable social goals. Which means, that the attention falls automatically on the organization of planning and decision-making apparatus particularly suited to guarantee a formulation of goals responding to the expectations of the population.

Furthermore, development is something different from social change, a term with which it is often confused. This distinction is an important one due to the different roles of value judgements in defining these concepts. Social change is a concept that in line of principle does not involve value judgements. It is related solely to empirical observations about change taking place in the structure of society as such, and is applicable as well to changes of a dysfunctional character.⁽⁶⁾

The concept of development refers also to the society as a whole but it involves explicit and implicit value judgements, about the direction and speed for structural changes. And therefore it is not enough to make clear what value judgements are employed, it is equally important to make clear to whom these values belong. In any society there will be individuals as well as social and territorial groups whose interests and values are conflicting; and although at a given point in time only one or a limited set of each values will dominate politically, these should not be regarded as founded upon any objective basis.⁽⁷⁾

The concept of development should be also distinguished from the concept of evolution. The latter concept is applicable to processes of endogenously generated gradual changes, dominated by inherent mechanisms of a rather determinate character. As opposed to a process where the new forms gradually evolves from the old ones, leaving little or no place for collective interference, the concept of development involves a conception of changes as induced, framed and generated, at least partly, by deliberate policies and development agents.⁽⁸⁾

Societies do not develop in isolation. Developmental changes are spread over territorial societies and social groups through a variety of channels and contacts. In this way old forms

and ways of doing things are replaced by new ones in processes other than those usually defined as evolution. Diffusion of cultural and technological innovations by deliberate "social engineering" is a prime characteristic of development, and brings the role of the cultural and regional authorities, the political system, the development policies and the development agents to the focus on the attention. ⁽⁹⁾

This means that the concepts of development explicitly recognize the external openness to policy intervention and direction, as most prominent features. A model of national development must necessarily show alternative solutions, include explicitly possibilities for collective actions, and contain a number of degrees of freedom to be exploited by the authorities responsible for collective actions. Therefore, the questions of development goals, objectives and targets become real ones, while the concept of evolution appears to leave only limited place for choices and hence the formulation of goals loses its meaning.

We live in the epoch of planning. It permeates all spheres of life. We believe, therefore, that both national and regional developments are thought to be best brought about by the devices of planning. Planning assumes different character in various countries. This is visible both in the plan formulation and, particularly, in the plan implementation. In centrally planned economies, such as those of the eastern European countries and the Soviet Union prevails direct planning; central authority responsible for the plan have powers of disposition over the preponderant share of national resources, it is both owner and entrepreneur. Planning becomes there the explicit technique for development. In market economies, such as those of Western Europe indirect planning prevails; powers of disposition are spread among members of the country in individual or corporate entities and the state is restricted mainly to measures influencing the use of these rights. ⁽¹⁰⁾

In the first type of society we deal with the monocentric planned order tendentially characterized by one centre of decision, in the other with the policentric planned order characterized by the interplay of many centres of decision. ⁽¹¹⁾ There is also a combination of both kinds - a mixed economy where side by side exist the public and private ownership of the means of production. Countries belonging to this type are as a rule avowed adherents of planning which assumes there often very sophisticated character.

But whatever the differences ^{may be} between various kinds of economies as regards the scope, methods of design and execution of planning, the basic presumption of this thesis is that some sort of planning, be it ~~more~~ direct or indirect, precedes and facilitates the regional development. Therefore, when ~~we~~ speak, later on, of "regional development" we have in mind "planned regional development" or, even more simply, "regional planning".

1.2. DEVELOPMENT PROCESS AS GENERATION AND DIFFUSION OF INNOVATIONS

Starting from the external and internal openness of societies to outside influence, and to policy intervention and planning respectively, it follows that the process of development at a general level can be conveniently described as the introduction and diffusion of successive waves of innovation in functional i.e. economic, social, cultural and in geographic space.⁽¹²⁾

These waves of innovations are the mechanisms by which developmental process usually are defined. The term innovation is here used in a very general form to include not only the practical application of technical knowledge in production, but also the replacement of old forms, traditions and ways of doing things in the functional entities mentioned above, the introduction of new specialities in production and consumption, and the emergence of new industries, new types of social and industrial organizations etc.

The description of the process of development as the introduction and diffusion of successive sets of innovations is furthermore convenient because it emphasizes the continuous character of the process and helps concentrate the attention on the nature of the process as such rather than on such traditional categories as causes and effects, and means and ends of development which presuppose a linear type of temporal relationships. However, taking a careful look at these relations they reveal themselves to be of a feed-back character. For instance, diffusion of innovations is not only the mechanism that brings about development throughout functional and geographical entities, but because of the development changes which are introduced, the character of the diffusion process is also apt to change as an inherent part of the development process.

Therefore, rather than conceiving development in simple means-ends terms, one must accept that the process is commanded by numerous feedback mechanisms, of a non-linear character, which neither are of a complete determinate character nor wholly open to control, but which may be directed partially by means of collective actions guided by preconceived development goals and flexible strategies. Innovations may be introduced either from outside or as applications of inventions made internally. Both in functional and geographical entities, centres of innovations may be identified from which innovations are diffused usually following relations of interdependencies among decision-units within these entities. To a large extent these interdependency relations determine the networks of social communications through which information about innovations is spread.

However, it is not enough that informations about innovations are spread. The crucial thing is their acceptance and adoption. The process of acceptance is in itself a very complex one involving both individual and social learning as well as accumulation of economic resources necessary to adopt. Often innovations have to be introduced in clusters including technical, cultural and institutional ones in order to be accepted. Thus, the interdependencies of various types of innovations appears a crucial aspect in their diffusion, because the acceptance of one or of a certain cluster may make the way for a number of new ones.⁽¹³⁾

The generation of innovations is hardly a national process, but an international one. Nations may develop to a greater or lesser extent relatively to others by the more or less rapid adoption of innovations brought forward internationally. This depends on the policies they follow; but, in most cases, the overall development process itself is strongly influenced, and regional development policies are, therefore, necessarily adoptive.

for the greater part
Present and historical data show that innovations/generate not only in large open cities but even only in those in the few most developed countries of the time. Thus, if, according, to Thompson's hypothesis,⁽¹⁴⁾ innovations always take place in a few advanced countries, for the rest of the world it is irrelevant which these countries are: what matters is to explain how the innovations spread to the other countries. In our framework, this can be solved if we assume that the innovations take place exogenously and in a few relatively constant areas. Therefore, contrary to authors concerned with the advanced countries, who are logically focussing on innovation-generation,⁽¹⁵⁾ and contrary to the nationa-

list tendencies of ^{the} Latin-American school,⁽¹⁶⁾ which aims at the creation of innovational bases in the developing world, we focus our framework on understanding better how to adapt conditions to innovations⁽¹⁷⁾ and not primarily on how to innovate. Consequently, in our approach the critical sub-processes are those of innovation-diffusion and adoption. In this sense we can sum up the manner how the system of geographical context conditions the pattern of development:

- i) the spatial patterns of successive innovation diffusion and adoption spreads are largely conditioned by the spatial structure;
- ii) for entrepreneurial innovations this conditioning is stronger in developing countries; for consumer innovations, the situation in developed and developing countries is more similar.⁽¹⁸⁾

Finally it should be stressed, as we pointed out before, that the process of economic development usually is closely related to planning and policy making, the introduction of which may be viewed as a major innovation itself.

In this way regional planning, broadly, and the rural-urban network, specifically, can be said to be a conditioning factor in the development of countries.

For the purpose of analyzing regional development strategies it may be useful to formulate a very aggregate model framework which sets out the dimensions and aspects of development that appear to be the crucial ones.

The first observation behind the model proposed in the following is that development by its very nature takes place in time and space. In our approach, by time and space it is meant the objective categories of chronological time and geographic space, to which any human being and any society are bound,⁽¹⁹⁾ as opposed to the functional time and space categories used for analytical purposes.

To conceive of time and space as given categories does however not imply that they are passive in relation to societies and their development. On the contrary, it is quite clear that development does not take place evenly distributed in time and place,

and that existing patterns of distribution along these dimensions influence the process of development this in turn influences the se distributions through various feedback mechanisms. Moreover, the re is "Freedom of choice" with respect to location in space as well as in time. The objective categories of time and space however cannot themselves be influenced.

The first conclusion is therefore that development is to be considered as a unified dynamic temporal process with strong linkages through time, and that any study of development requires a dynamic frame of reference.⁽²⁰⁾

Secondly development takes place in a definite spatial setting involving interdependencies (both of simultaneous and intertemporal character) and have therefore to be analyzed within a spatial-temporal framework.⁽²¹⁾

The above arguments indicate how important it is to coordinate economic and social programming and planning in time and in space. An improvement in the programming and planning machinery is one of the methods that would reduce the social costs of in dustrialization programs.

The process of development of a certain area, e.g. a nation or a region, can then be regarded as consisting : a number of interrelated aspects taking place within the framework and in mutual interplay with the objective constraints implicit in the dimensions of time and space. At the level of analysis chosen he re we shall give explicit recognition to four aspects or subprocesses, which can be regarded as taking place within a set of corresponding functional spaces, viz. economic, social, cultural and political-administrative. The development process consisting of the four subprocesses is locked up within the time-space frame wi th which it however interacts as manifested by ^{the} changing patterns of distributions along the dimensions. Furthermore, the developing society interacts with its external environment, i.e. other societies. Influences and interactions are supposed to be channeled directly as well as indirectly to each subprocess.

Briefly each of the four developmental subprocesses can be described as follows, giving particular emphasis to their innovative character.⁽²²⁾ Economic development at a high level of aggregation can be characterized as consisting of increases in the scale of economic operations i.e. in aggregate output and total income, and of alterations in the relative contribution of the va

rious industries to total income and employment brought about by reallocation of factors of production among the industries. From an innovative point of view the dynamic force behind the process of economic development can be identified as the introduction of successive waves of technological innovations that bring about rapid increase in overall productivity; they stimulate further specialization and division of labour that gradually creates new industries which tend to replace old ones. Of particular importance is the emergence of intermediary industries which gradually fill up the inter-industry framework.

The term, social processes of development in the context of this thesis is to be seen in a more narrow sense than its often attributed meaning of development of the society as a whole.⁽²³⁾ The term is nevertheless a broad one conveying three different but related connotations linked with social rather than economic or cultural processes. First, social processes of development encompass the various distributional aspects of economic development and the expansion of social security systems and welfare programs.⁽²⁴⁾ Secondly, there is the development of the various human and for non-market sectors such as educative, health, housing, utilities, etc. These sectors produce services considered to have a more fundamental welfare character than goods normally distributed through market mechanisms, and which furthermore are hypothesized to have particularly strong feedback effects on the conditions for further development.⁽²⁵⁾

Finally, social processes of development embrace also what more precisely might be termed sociological processes. There are changes that according to certain value-premises are deemed to be conducive to further development.⁽²⁶⁾ These changes interest the structure of social groups and patterns of social interaction, the distribution of decision-making and influence, the structure of social institutions and patterns of social mobility.

Among the various social processes one particular type has been traditionally recognized of primary importance for the issue of planning, mainly by planners: i.e. the so called "change of mentality", of attitudes, of value systems, and so on. In the formal planning terminology there is a tendency to identify the cultural dimensions of planning only with the afore mentioned type of "non-market products". However, this is an oversimplification of reality which hides a number of problems in planning. In fact, on the one hand it is not possible to restrict the concept

of culture only to non-material culture, while on the other hand objects (manufacts as well as institutions) of the material culture play a big role in planning, such as information channels, decision-making procedures and frameworks, etc.

In a very global sense culture is the heritage of the past activity of man which has been transmitted to us. This heritage is constituted by ways of thinking, rules of conduct, etc, but also by institutions and objects like cars and books. Which means that in order to bring about those changes classified as "non market products" or "cultural changes" certain means must be employed which, too, belong to a country's culture. So the cultural change which planning is supposed to favour cannot restrict itself only for instance to literacy and mentality, but must

comprise also the use of material cultural items (schools, amenities, and so on) as well as institutions and institutionalized processes.

For pragmatic purposes, however, one can agree on continuing to speak of the "non-market products", provided he is aware that there is much more at stake than just this type of products. However, for the moment, particularly when having the field of education in mind, it may be possible to adopt a restricted significance of "culture" and thus to speak of cultural growth in the same way as economic growth. Individual and social learning leading to accumulation of knowledge, know-how and skills of various sorts, ^{as well as} and increased consciousness are precisely those processes which enable societies to achieve increased control over their natural environments and the destiny of their development, and individuals to gain improved control over their own future.

Thus what we are talking about here is therefore not merely a change in scale but profound processes of qualitative change in the sense of introducing and generating interrelated waves of innovations as responses to the diverse problems and challenges sprouting from the change process itself.

Patterns and purposes of cultural development and of development in general in societies which at present are labelled developing will therefore differ from each other according to historical and natural environments; then cannot be assumed to follow the trends of the societies already developed towards the same model of value systems.

19

Political administrative processes of development relate above all to shifts in influence and ⁱⁿ power positions occurring as a result of the emergence of new social groups and relations of interests. The formation of political parties, interest organizations of all sorts and the evolution of bureaucratic administrations at the central, regional and local levels are all parts of this process.⁽²⁷⁾ Of particular importance from the point of view of total development are the mechanisms through which value premises and goals of development are generated, and the increasing rationality in the attainment of these goals which are due to the emergence of deliberate planning, and ^{for the} formation of development strategies in accordance with the developmental actions to be coordinated.⁽²⁸⁾

Thus the political-administrative processes play a double role in development. First, they form part of the general process of development undergoing profound changes in interplay with other subprocesses; and, secondly, they are precisely those processes through values and goals for development are generated, and developmental actions conceived, planned and executed.

An important observation to be stressed is that the various subprocesses are not independent of each other. This interdependency is very important because it implies a certain non-additivity i.e. a positive study on regional development cannot be based on earlier descriptions regardless of how the variables to be included were chosen. The question, now, is where in this scope are the various elements of the regional development theory to be found, and what type of elements should be added so as to provide a coherent regional development planning policy.

2. THEORIES OF SPATIAL ORGANIZATION AND TRANSMISSION OF DEVELOPMENT

2.1. BALANCED AND UNBALANCED GROWTH IN A REGIONAL SETTING

An unfortunate tendency has long been to judge an economy almost solely from the viewpoint of national production and consumption aggregates, without reference to the spatial incidence of development activity. However, as John Friedmann and William Alonso have emphasized, the "decision of where to locate a new project is as important as the decision to invest in it". The question of social justice in the distributions of the fruits of development are as important and as difficult in terms of regions as in terms of social classes".⁽²⁹⁾

On the other hand, "the conceptual^{tools}/necessary for the intelligent making of policy is in its infancy. The social sciences, principally sociology, have been laggard in taking notice of space: while geography which has always dealt with space, has lacked analytic power."⁽³⁰⁾

A first attempt to synthesize a theory of spatial incidence of growth with hypothesis of the mechanisms of spatial transmission of development impulses was made in Hirschman's now classical study of economic development and strategies.⁽³¹⁾

Taking it for granted that economic progress did not appear everywhere at the same time, and that once development had appeared, powerful forces would make for a spatial concentration of economic activity and growth to the initial starting points, Hirschman argued that "there can be little doubt that an economy to lift itself to higher income levels must and will first develop within one or several centres of economic strength."⁽³²⁾

The argument was based on the theory of economic development as an essentially unbalanced process which is propagated through chains of disequilibria. The similarities between Hirschman's theory - developed mainly with reference to the less developed Latin American countries - and the French theories of economic growth generated by growth poles (Perroux's theory) are many in spite of the different conditions and levels of development on the basis of which they^{have} been elaborated. This can, however, be explained by the fact that they both were developed as reactions

to the theories of balanced growth originally conceived by Cassel⁽³³⁾ and furthered by Nurkse,⁽³⁴⁾ Lewis⁽³⁵⁾ and Rosenstein Rodan.⁽³⁶⁾

Hirschman has emphasized that investment strategy should concentrate on a few sectors rather than on widely dispersed projects; similarly, Perroux has emphasized that growth does not appear simultaneously and uniformly throughout an economy: rather, it is concentrated, with varying intensity, in certain development poles or propulsive industries.

Simultaneously, in recent times considerable attention has been given to the problem of whether economic development might be best accelerated by "balanced growth" under government direction or by government provocation of imbalances, whereby disequilibria produce positive responses which in turn produce other disequilibria and so on in the manner of a chain reaction. One of the principal arguments against the applicability of balanced approach in underdeveloped or developing countries is that "the resources required for carrying out the policy... are of such an order of magnitude that a country disposing of them would in fact not be underdeveloped."⁽³⁷⁾ On the other hand, in some instances, the thesis of balanced growth via the big push might be more relevant for intra-regional and national levels.

Both Hirschman and the French school view economic growth as unbalanced and occurring in certain leading firms and industries which induce growth in related industries through forward and backward linkages by means of investment incentives resulting from disequilibria. However, between the two there is one essential difference which reflects their different background. While the French theory is primarily a theory of economic growth, the Hirschman theory deals with development in a broader sense: in fact it includes not only economic variables but also the interrelations between these and other social and cultural variables, particularly those which determine the emergence of entrepreneurial innovations and the ability of entrepreneurs to take investment decisions.

The similarity between the two theories are, however, apparent in that both are relatively vague when it comes to explaining why economic growth and development occur in some centres and not in others, and how growth is transmitted to other regions and centres. Starting from the assumption that development necessarily is geographically unbalanced, and that in every country there is a need for the emergence of some growing

points in which industries can benefit from localized cultural-economics - technical as well as pecuniary resources - and the creation of an "industrial atmosphere", Hirschman contended that economic operators are inclined to systematically overestimate the importance of these factors and neglect equally good or even better investment opportunities elsewhere in the country.

2.2. POLARIZATION PROCESS

Despite exaggerated space preferences of economic operators, development occurring in geographical growth points will nevertheless - often - set in motion forces which will induce development in the backward hinterlands. These inductive forces work particularly through interregional trade and transfer of capital to the backward regions. Their effect depends largely on the existence of complementarities between the industries in the growth centre and the hinterland. In addition, migration from the hinterland to the growth centre may absorb some disguised unemployment and raise the marginal productivity of labour as well as the income per capita in the hinterland.

However, the progress of the growth centre may also - particularly in the case of weak complementarities - have unfavourable polarization effects on the hinterland. The industries of the hinterland can be depressed as a result of the competition from the growth centre, particularly as the transportation facilities are improved. Due to better opportunities in the growth centre, the hinterland can be drained not only of the most able parts of its labour force, but also of a significant share of what savings there can be. ⁽³⁸⁾

The polarization effects generated in the growth centres may well - in spite of Hirschman's optimistic view that in the long run external diseconomies of the growth centre, together with complementarities, will assure a spontaneous spread of development - turn out to be stronger than the induction effect. Then a lasting dual society may be created in which economic and geographical backwardness coincide.

The tendency for the polarization to be stronger than the trickling down forces was the main conclusion of Myrdal when

he studied the problem of spatial incidence and spread of economic development at the same time as Hirschmann. His spread and backward effects coincide with Hirschman's induction and polarization effects. Myrdal bases his more pessimistic view of the possibilities for spontaneous spread of development in space on his theory of circular and cumulative causation.⁽³⁹⁾

He maintains that movements of labour, capital and goods, contrary to what is believed in equilibrium theory, are precisely the "media through which the cumulative process evolves upwards in the lucky regions and downwards in the unlucky ones". The spread effects which operate mainly through trade via interregional complementarities, set up opposite counteracting forces to the backward effects, and will in some regions balance them.

But, according to Myrdal, this balance is of a temporary character and should not be confused with stable equilibrium, as any change induced will generate a cumulative movement up or down. Regions in which spread and backward effects generated by the main growth regions are in balance, will, as a rule, be stagnating. In reality, expanding, stagnating and regressing regions tend to be arranged in a fairly continuous pattern. Myrdal finds, furthermore, that the higher the level of development and the higher the rate of growth of the economy, the stronger the spread effect as compared to the backward effect. And, the other way around, the gradual neutralization of the backward effects as a country develops, can by itself be seen as an important factor to speed up development.

Thus, it appears that Myrdal and Hirschman agree that development requires more efficient spread effects. However, while Hirschman argues in favour of the need for initially spatial unbalance through the creation of development centres, Myrdal takes the opposite stand and argues that the mechanisms for spread effects should be strengthened from the outset.

2.3. TOWARDS A DYNAMIC PROCESS OF DEVELOPMENT DIFFUSION AND CHANGE

This synthetical survey of conceptual frameworks and theories related to the spatial concept of development poles has so far touched on three vital aspects and has revealed a gap in theory with respect to a fourth.

The Central place theory, as founded by Christaller and Lösch can be seen as a theory of the spatial pattern and hierarchical structure of urban centres and rural regions. Despite recent development, it remains still static and suffers from rigidity and oversimplification.⁽⁴⁰⁾

The development pole theory founded by Perroux as a tool to study the process of unbalanced economic growth in abstract economic space and modified by Boudeville to be applicable to geographical space, suggests an explanation of the process by which urban areas and regions develop and stagnate. However, it confines itself to the analysis of development processes of poles localized in geographical space and has little to contribute to the explanation of how the process starts, and why it starts in some places and not in others. The same shortcoming can be noticed with respect to the mechanisms of spatial transmission of development.⁽⁴¹⁾

But now, we must stress that the most important implications of the relation between the theory of localized development poles and the central place theory are however brought out when the two theories are put together in the context of development planning.

Two relevant problems facing many countries are:

- i) how to initiate a self-perpetuating process of developing in a backward region, and
- ii) how to direct the process of urbanization so as to achieve a spatial organization with a size and geographical distribution of urban centres that is conducive to further development.

The first problem is one of projecting the development effects of the installation of the core units of a development pole into the specific context of a certain area exhibiting a characteristic structure of linkages in functional and geographical space, and of selecting a type of pole that will ensure the maximum effect in terms of new functional i.e. forward and backward linkages and developmental change within the given area, and at the same time facilitate the inflow of innovations from outside and their rapid internal diffusion.⁽⁴²⁾ It seems that such an analysis cannot be undertaken without the use of a model of geographical interrelation of which the central place model would form the core part.

The second problem is mainly one of selecting appropriate locations for industrial and service establishments which may or may not be parts of development poles, so that their effects are distributed over the system of centres in geographical space in a way that contributes to an efficient sequence of geographical reorganization. This requires that development is projected into geographical space, a problem which is particularly difficult since it is necessary to take into account also the feedback effects of change taking place in geographical space on functional development. (43)

Certainly, much more research is needed to provide efficient tools for projecting development in functional space into geographical space and vice-versa, and the role to be played by central place theories is far from clear. Even more difficult problems, however, have to be solved in order to establish rational decision criteria for simultaneous control of development in the two types of space. One reason for this is the static character of central place theories which render them useful mostly for comparative static analysis of intercentre relations. Therefore central place theory must be supplemented by theories dealing specifically with the spatial incidence and transmission of development which can be used for explaining and directing the dynamic process of development diffusion and change.

It is to these latter problems that the theories of Hirschmand and Myrdal are of particular relevance. Despite their profound disagreement when it comes to the choice of development strategy, the two theories appear coincidental in identifying the basic reasons for why development is apt to occur in a limited set of urbanized regions and be concentrated there, and ^{also} in exposing the nature of the mechanisms by which development impulses are propagated throughout the rest of the country. However, although these theories deal with questions of location, they remain fundamentally non-geographical and they have little to say about the spatial location of the development centres and the spatial incidence of the development impulses propagated from the centres.

Thus, when the studies state that development tends to occur in geographical concentrations and that it tends to stimulate further concentration both of developmental phenomena and people, they have not undertaken a thorough analysis of the whole range of reasons that would explain why this is so. By concentrating upon economic factors they have largely neglected

(including
 ted the whole set of social, cultural and political factors /
 processes) that can be subsumed under the head of the role of ru-
 ral-urban network (hierarchy of cities and rural development cen-
 tres) in socio-cultural and political development. This role, ho-
 wever, appears to be crucial both for the national development
 process and its relation to urbanization, and for the formulation
 of regional policies to cope with the rapid reorganization of spa-
 tial organization of the country. (44)

In the framework of regional development strategies one would need to explain not only the mutual impact on each other of development and urbanization, but also more specifically the reasons why the social framework of cities is particularly conducive to the generation and adoption of innovations, in the sense stated before. (45) Such theories, however, are of a rather descriptive character, a fact which may be explained by the historical background of the urban-industrial revolution.

In his study of 1955 Lampard (46) viewed urban industrial development as a cultural process through which modes of life, customs and socio-economic relations were gradually transformed. Traditionally the spatial setting of the cities was determined by natural conditions and partly by the existing network of communications and transportation facilities. The modern city, however, according to Lampard can only be understood in its relation to the emergence of industrial technology and organization. Industrialization is essentially a process of technological innovations, which leads to improved organization, specialization and division of labour and which has a strong inherent impulse to foster continuous and cumulative change.

The roles-played in this process by the city are several. First, the increasing specialization of functions imposes increasing interdependence among all the differentiated parts. Such interdependence can only be efficiently established when the friction of space is overcome, i.e. when the functions are clustered together within spatial concentrations. In other words, cities provide a spatial organization of interdependent activities which is conducive to their further development. Secondly, owing to their complex composite character with high internal accessibility, cities develop external economies which are to a large extent spatially immobile, and therefore can be utilized only within or close to the cities. (47)

These external economies apply particularly to the labour force and the local service sector, but ^{they} include also what can be called social and cultural urbanization. What is involved here are changes in values, habits, beliefs etc., and in social institutions and mobility patterns which, together with the attainment of higher levels of education and skills, foster the development of urban centres with much greater ability to utilize opportunities and adaptability to changes, than traditional urban and rural ones. ⁽⁴⁸⁾

Because of the high level of internal and external accessibility, cities are particularly receptive to innovations, and to the spread of innovations, not only within the city but also throughout their catchment areas. ⁽⁴⁹⁾ Furthermore, as is particularly stressed by Friedmann, ⁽⁵⁰⁾ cities are the main agent for the spatial integration of the social, economic and cultural systems of a country. Eventually, one can say that they are also the main agent in setting the cultural standards, and thus provide cultural integration even apart from the spatial integration.

This capacity for promoting integration results from their functions as centres of trade and of administrative and political activities; ^{from} to their innovative strength in economic as well as in social and cultural fields; and from their spatial arrangement as a hierarchical system of central places providing a network of mutual relations of interdependence and interplay throughout ^{the} national territory.

2.4. THE INCIDENCE OF THE INNOVATION PROCESS ON REGIONAL DEVELOPMENT STRATEGIES

Let us turn now to another crucial question: how the regional development policies (through the process of adoption of innovation) influences the future use of space?

For the answer one needs to concentrate on the study of the temporal patterns of the process of innovations (a supra-national one) and relate them to the spatial and temporal patterns of innovations adoption in individual countries. In this domain the first basic analytical contribution was Schumpeter's snowball effect. ⁽⁵¹⁾ However, one must stress that "impulses of

innovation can occur in conditions completely different from those in the model of Schumpeter, who did not study the firm which dominates in a region and the impetus-giving enterprises in a territory". (52)

Therefore, in discussing his concept of growth poles, F. Perroux let it be known that his analysis, although accepting the distinction between innovation and routine, was very different from the one put forth by J. Schumpeter. Felt that the ^{latter} gave undue importance to the role of the entrepreneur and neglected initiatives by public bodies. He further criticized Schumpeter for reasoning on the basis of a stable and unchanged equilibrium which was nothing but a means of registering and classifying changes and instability. Also, Schumpeter's theory was modelled for a system of unrestricted competition, whereas modern analysis integrates in the system numerous forms of monopolistic competition in the broadest sense of the word. (53)

And, finally, the conceptualization of Schumpeter was made for the first period of industrialization, in which the figure of the industrialist owner/director (entrepreneur) in a liberalistic economy should play a definite role. Today "entrepreneurs" do not exist anymore or they are depersonalized in a whole modern system of decision-making.

But our proposal is to detail how the snowballing of innovations takes place among producers in time and space,

The main temporal characteristics of the general innovation process are:

i) The time-lags between successive innovations catering for the same need (i.e. lighting, transport, etc.) are being progressively reduced;

ii) Complementarities among innovations in the different lines are growing tighter; this results in more and more concentrated innovation clusters over time;

Both i and ii ^{are} consequences of the increasing integration of policy-making, basic (theoretical) models on experimental research, and product development. (54)

These two main temporal characteristics of the innovation process condition the temporal snowballing of innovations in the various countries and, given the rigidities in the spatial pattern of the diffusion in spread and in the speed of the innovations, determine the future use of space in these countries.

Let us then trace the spatial impact of those temporal characteristics for the innovation sub-processes. The main temporal characteristics of the innovation process call for either continual spatial concentration of research and development in a few central places, and/or the establishment of special research and development programs integrating spatially separated activities.

in very general terms

In brief, the temporal patterns of innovation diffusion and adoption in developed and developing countries can be summarized in the following way:⁽⁵⁵⁾

- i) the snowballing starts at the centre and stops at the periphery of the urban network;
- ii) innovations spread faster from central to middle-sized towns, than from these to smaller ones;
- iii) usually, the adoption-lags between the successive types of towns increase in length as the town size decreases.

The interaction between the acceleration of the international innovation process and the temporal and spatial pattern of diffusion and adoption in developing countries helps to explain the two types of polarization to which Portuguese regional development strategy can have an option.

Thus, if one admits that the international process of innovation is accelerated (i.e. the time lag between successive innovation clusters is shortened), and the total adoption lag between the centres and the peripheries in the less developed countries is not shortened proportionately, the two basic alternatives open to these countries are:

- a) To adopt at the centre the newer sets of innovations before the previous ones have been adopted in the rest of the country;

- b) To delay the adoption of the newer sets at the centre until the whole country has adopted the previous set.

In the first case, a situation similar to the dual economy model tends to develop: the country becomes spatially polarized around a technologically advanced centre and a retarded periphery. In the second case, all the country's regions operate under similar technological conditions. In this fashion, the country avoids the dual economy trap, but at the cost of becoming less developed, for the whole country operates under older, less efficient technological processes than the other adopting countries. Regional strategies (planned or unplanned) for the attainment of regional technological equilibrium facilitate the growth of a polarization between developed and developing countries. (56)

The above argument can be applied nearly to all countries, except the very few which control the global process of innovations because they generate most of them. Of course, it is more pertinent the poorer and less populated the country (because the successive sets of innovations have greater minimum scales of operation), and the larger it is in terms of area. However, it is not irrelevant even in high-income countries of medium size (both in population and area). In the latter, the rising minimum scale of operations of the successive sets of innovations - an important characteristic - coupled with the other factors deterring adoptions, have forced them to continue to specialize in older production lines.

Portugal has been unable to enter the newly developed lines of electronics, computers etc, chiefly because of market limitations (aggravated by the creation of European Common Market) but also on account of rigid business practices and policies, lack of adequate capital markets, etc. Rogério Martins⁽⁵⁷⁾ has denounced the dangers for the country implicit in such a trend; this aspect seems also to be very ^{much} related to the relative backwardness of the country in the adoption of modern computer techniques.

In reality, governments choose solutions between the two extremes represented by the alternatives indicated; the most frequently chosen being closer to the first. This is basically why most countries show persistent and considerable differentiation in the rate of growth of their different types of towns and cities (in the long run, the large cities grow faster, and the

middle sized ones less and the smaller ones less fast), which results in the progressive concentration of their population and income in the larger spatial clusters.⁽⁵⁸⁾

In other words, the progressive clusterization and the acceleration of the international innovation process, coupled with the impossibility of spreading the adoption of the innovations over the whole of the individual country's territory at the same speed, create in most countries a tendency towards the accelerated concentration of economic activity in a few large and in middle-sized cities. This is the general sense in which development can be said to influence the patterns of urbanization.

Taking the two general conclusions together one can say in brief that the pre-existing network of geographical clusters conditions the pattern and speed of the allocation of the successive international development impacts over the territory. Inversely, the main characteristics of the future international process of innovations determine the future changes in the patterns of geographical clusters. The interaction between the two, normally results in increasing hierarchization of the urban network. But is the hierarchization stable? Or, is it a functional hierarchization of clusters with no stable geographical basis?

There are several reasons to account for the spatial stability of the urban network, the most obvious being that of the stock-flow variety: the spatial implications of every successive cluster of new technologies will be much smaller than the accumulated spatial impacts of previous technological changes embedded in the urban network. Therefore its effects will be hardly noticeable even in the absence of other correcting factors.

^{much}
Besides, this effect will be smaller owing to two additional causes: first, the urban network reacts to the technological impacts, absorbing or repelling them with different intensities, according to whether they are consistent or inconsistent with its existing form: secondly, the successive sets of sectoral clusters do not necessarily have similar spatial repercussions; normally, the deviations they tend to induce in the urban network cancel each other out.⁽⁵⁹⁾

How can we, within our framework, account by more detailed arguments for the spatial stability of the urban hierarchies? The growing differences between international innovation lags

(interval between successive innovation clusters) and adoption lags (time elapsed between adoption by the first and the last adopting towns) in most countries, and also of the preference shown by most countries for the adoption of most innovations, at least in their largest centres, have been our grounds for positioning the growing hierarchization of urban networks.

Within our framework, therefore, the geographical inertia of the urban network is to be explained basically by the geographical inertia of the different spatial adoption patterns. And, additionally, by the fact that, when some innovation adoptions deviate from the general pattern, their impact on the long run evolution of the urban hierarchy tends to be minimal because the successive deviations tend to have counterbalancing effects. Why are the adoption spreads of successive innovations similar?

In this context the distinction between the spatial incidence of new developmental phenomena, and their transmission throughout space is a very useful one. At a general level Hirschman and Myrdal described the transmission of development throughout geographical space, spilling development over to transitional areas in between geographical poles as trickling-down and spread effects. They view development mainly as a process of innovation and do not wish to see it as only implying increases in production.

in According to the general concept of development adhered to this thesis, these effects can be viewed as a materialization of the diffusion of innovations in geographical space. Hence, theories dealing with spatial diffusion of innovation are closely related to the theory of localized poles of development both at the general level, and as a tool to explain the dynamic process of the transmission of development from poles to their surrounding areas (hinterland) as well as between poles.⁽⁶⁰⁾

3. DIFFUSION OF INNOVATIONS AND REGIONAL DEVELOPMENT STRATEGIES

Since diffusion of innovations is a key process of development, much attention has to be devoted to the formulation of propagation. Hagerstrand, in one of his papers,⁽⁶¹⁾ devoted some attention to this problem of engineering induced innovations, giving particular emphasis to the concept of the hierarchical ordering of centres related to a similar hierarchical ordering of communication fields, and to that of normative sources: which all suggest that induced innovations should be initially concentrated and utilize the existing linkages in the system of communication. One fairly diffused idea is that instead working against or trying to enforce other patterns of diffusion, efforts should be made to identify the prevailing system in order to exploit its capacity for dissemination and percussion.

This idea recognizes explicitly the fact that very often the first experiences of planned diffusion of innovation have too lightly ignored existing communication linkages, and that the lack of success of the diffusion process is frequently related to this first failure. However, it is dangerous to think in black-or-white terms. There still can be situations in which the existing communication linkages are objectively insufficient or unwilling to help or stimulate the adoption of innovations. In this case a new linkage structure must be discovered or created.

The previous considerations can find a more adequate formulation by saying that since suitable and unsuitable communication structures (and respective linkages) tend on the whole to show a certain pattern of geographical coherence (fast changing regions versus slow changing regions) one of the most useful criteria for a meaningful delimitation of planned intervention areas is probably formed by the suitability of the local communication structure with respect to the scope of innovation diffusion. In this way one would establish regions which are "homogeneous" with respect to existing rates of diffusion of innovation.

In this sense, then one must stress the following conclusion reached by Lasuén:⁽⁶²⁾ "The profound geographical regularity (hierarchical) of the patterns of the diffusion and adoption subprocess seems to me the most obvious factor to account for the hierarchical and stable order in which the system of regions grow

and develop. For this reason, the factors determining the patterns, which steadily through the time, follow the diffusions and adoptions of successive sets from some leading regions hierarchically down to the region which follow, are to be considered the factors to explain the invariant behaviour of the system of the nations".

Although urban systems tend to be very stable over time, there is one aspect however of their development which appears to be of a relative nature, relating to the geographical diffusion of development and particularly to the patterns of inter-city relations, which is particularly striking. That is the emergence of axes of high development between the main urban areas. As opposed to the rich variety of contributions to industrial location theory,⁽⁶³⁾ the latter subject has been largely neglected by geographers as well as economists and regional planners. There is, however, one relatively recent contribution by Pottier which stands out and deserves to be mentioned.⁽⁶⁴⁾

Pottier's main emphasis is that economic development normally tends to be propagated along the main transportation routes which link the most important industrial centres, and, therefore manifest themselves in linear geographical paths. His theory, which was to some extent anticipated by von Thünen's areas of differential influences, first, and then by Christaller's transportation principle, has been developed mainly on the basis of French historical experiences. Nevertheless, it would seem to have more general value, particularly in as much as it contributes to the integration of the theories of the effects of the transportation network with the theories of urban hierarchies and geographical development poles.

According to Pottier, there are several factors working together in a process of circular cumulative causation which explain the strong tendency for economic development to be concentrated along the original national transportation channels during the initial stages of industrial growth. When traffic increases along a transportation route as a result of interregional trade, economies of scale leading to lower unit costs of transportation can be exploited. Since lower transportation costs stimulate trade and generate increased traffic, the transportation infrastructure and the modes of transport can steadily be improved by means of capital investments and the introduction of new techniques.

A cumulative process will be started which will tend to concentrate transportation demand and facilities along the original axes. Then, industry, commerce and population will be attracted and, in turn, create easily accessible factors and product markets likely to attract more industries. This cumulative process will be particularly strong at the points where two routes cross each other and create junction effects. Also, agriculture in close proximity to such axes and functions will benefit partly from the improved accessibility to larger markets, but also because they will be more exposed to agents disseminating information of technological and cultural innovations.⁽⁶⁵⁾ This in turn will induce impulses for social change and make the axes more conducive to development and growth.

In the same way, Hilhorst has proposed elsewhere⁽⁶⁶⁾ that the strategy for developing a peripheral region should start from the construction of transport links between its centre and one or more other regional centres; this was done in order to suggest a means for removing this basic hindrance to development. The strategy was also suggested because it fits the national objections for regional development and, finally, because it was intended to show the possibility of transforming transport links into what Pottier calls development axis.

The reason for suggesting that development efforts should be initially concentrated along the transport link is that normally there will not be sufficient financial and human resources in the early phases to establish channels of innovation diffusion in more than one direction from the regional centre.⁽⁶⁷⁾ A certain selection must therefore be made and the cheapest way would be generally to make use of over-capacity in the existing infrastructure, that is, the transport link between regional centres.

Hilhorst stresses that secondary and tertiary places in the regions along the development axis will in this way become nodes in the channels of innovation diffusion and their dispersion away from the regional centres will enhance the development of regional peripheries. In other words, possibilities for effective decision making for modernization problems in these parts of a region will become greater.

Furthermore, the same author developing his point of view states that one possible approach to the second stage of this region development strategy might be the following:

"A place that is not along the development axis is selected as a future secondary centre and connected with a similar centre on the axis. The latter centre is one that has benefited from the installation of new and effective channels of innovation diffusion and will start sending information along the new connection. It is assumed here that the selected place is already connected with the region's centre. Thus, a rough triangle of roads will be created in which the new or improved link between secondary centres, together with the pre-existing link to the regional centre will function as the lines - instead of the pole - from which innovations can be diffused. Along the new link, which formerly may have acted only as a feeder road to the development axis, strong tertiary centres should be established to function, as those along the axis, as transmitters of innovations to the rural areas." (68)

In this way a cumulative process of enhancing activities of rural character is progressively generated in which special attention is given to the crucial importance of innovation diffusion, the presence of government services and the beneficial effects of traffic flows for this process and therefore for that of socio-political development.

According to the foregoing theoretical discussion it seems safe to conclude that one of the aims of this chapter has been fulfilled, namely with the clarification of the relations between the three cornerstones in spatial organization theory, i.e. central place theory, the theory of localized development poles, the theory of development axis and, on the other hand, the theory of spatial innovation diffusion.

This has also served to provide a much better basis for an ulterior explanation and understanding, of the remarkable stability of Portuguese urban network during economic development, a fact that is contrary to what one would expect if the development of urban network was governed by the theory of localized development poles alone.

Of course, these formulations of the development pole and development axis doctrines do not in themselves provide adequate guidelines for regional policy. ^{Thus,} one may well ask precisely questions such as:

- What is meant by "equilibrium growth throughout the country"?
(expression often used by Pottier)

- Should the growth of less developed regions be promoted solely by moving resources to these regions or creating new resources within their boundaries, or should population movements also be encouraged to reduce interregional inequalities?
- Precisely what public and private activities should be located in varying types of regions? And what effects will the location of various types of activities in a given region have on other regions as a result of induced activities of an interregional nature?
- What conflicts might arise between maximizing regional and national welfare and how should they be resolved?

Admittedly, answers to many question of this nature involve explicit or implicit value judgments which the planner must take as given. However, whether or not this is the case it is obvious that consideration of these problems requires considerable refinement and applied evaluation of the rather general and theoretical notions discussed above. Some of the attempts which have been made within the context of Portuguese regional development experience in this regard are therefore examined and tested in the sections which follow.

4. FROM NATIONAL TO REGIONAL PLANNING

In the post war period our attitudes towards the economic order in general have become more conscious. People have increasingly abandoned the idea of the existence of a "natural" order in socio-economic matters, and conscious questions about the goals to be pursued as well as about the means for pursuing these goals, are increasingly being posed and are not considered illegitimate any longer.

In this way, we expect in the Western world that an economic order should solve or help solve more or less enduring economic problems, or that at least it should render life as acceptable as possible if certain problems cannot be completely solved because they are, in fact, unsolvable.

What are the important problems facing nearly each Western national economic system? These problems are mainly to be found in the realms of job-employment, welfare, quality of life, distribution and freedom of economic initiative. It is important that all these kinds of problems are solved in an efficient manner, so that in this way of considering things, also the purposive search of an efficient method for solving these problems without neglecting their mutual interrelation becomes a parallel problem of its own, aside and above the previous ones.

Although it is impossible to separate and identify the economic and social elements in this process. The methodology of planning requires that sectors of human activity be defined, that quantified targets be set within them, and allocations made to achieve these targets.

In setting targets and making allocations, the policy makers and planners bear in mind the specific problems besetting their countries: low levels of literacy and skills, slow growth or stagnation of industry and agriculture, unequal distribution of population and income, uncontrolled growth of cities, relative poverty of rural areas, etc. The solutions offered, however, are often as partially conceived. Agricultural development projects and agrarian reforms are usually conceived of as a remedy for an underdeveloped or stagnating agricultural sector; industrial estates or particular projects become an answer to the demand for industrialization; and physical planning is offered as a solution

to uncontrolled urban growth. But agricultural development projects and industrial projects cannot be fully productive unless supported by appropriate social services and physical infrastructure; physical planning becomes instantly obsolete if not accompanied by appropriate measures to decentralize industry, to check the drift from the countryside to the cities, and to open up alternative and attractive settlement areas. Other instances of problems and "solutions" can be given which point in the same direction: the problems of national development are interrelated, and hence the efforts made to solve them must be mutually supporting.

One way of ensuring that development problems and potential solutions are viewed comprehensively is by interposing a stage between planning at the national level and planning for specific development projects, i.e., a stage at which policies, sectoral allocations and specific investments can be coordinated and harmonized. The allocation of resources may be decided at the national level, taking into consideration the country's needs, and the actual spending may be done at the project level, taking into consideration the specific requirements of the project. But projects do not function in isolation even if they are executed separately. They have to be activated by people in the areas of project location, and the needs of these people reach beyond the limits of any single sector.

Thus, there might be advantage in having an intermediate level of planning, a level at which the approach can be broad enough to encompass the various needs of the people who will be affected in the various aspects of the problems involved and specific enough to permit the execution of specific projects or group of projects, including multi-purpose ones. Just as a regional focus facilitates comprehensive analysis of complex spatial behaviour, and just as a subsystem of several communities constitutes a socio-economic domain that can be centrally controlled and regulated by an "elite",⁽⁶⁹⁾ an area larger than the single town, but smaller than the country, is the most convenient unit for conceiving and carrying out comprehensive change in a whole system.

National plans in all but the smallest of countries are necessarily only general principles to be acted upon and are usually divided by sectoral activity, since a detached, comprehensive approach would be impossibly lengthy and complicated at that level. Regional development planning, whether concentrating on a few regions with special problems or dividing the entire country into regional units, permits the disaggregation of national plans

so as to make it possible to translate policy into strategies and tactics dealing with specific problems. And, what is perhaps still more important, it can furnish both a procedure more favourable to the adequacy of the plans with respect to local needs, and an institutional structure more apt for the creation of an active and responsible leadership. In this way regional planning means an opportunity for encouraging and sustaining local initiative, creativity and participation, for giving cultural groupings a means of expression or for weaving communities from traditional apathy.

This intermediate - "regional" - level of planning and development has recently aroused considerable interest. A precise definition is, however, wanting. Regional planning is usually defined as planning for regions within a country; it is what might also be called "area planning". The definition has operational merit if simply for the reason that decisions have to be made as to where particular investments are to be made; the decisions are best made when taken on the basis of feasibility studies which take into consideration the economic and social features of particular areas. No precise and rigid criteria can thus be used to formulate a definition which has universal applicability. The boundaries of spatial areas in any particular country may be administrative, cultural or geographic, but they are not necessarily coterminous, nor do they ensure that the area defined by them are regions for which planning can be undertaken. The region for which regional planning may be undertaken sometimes covers more than one administrative, metropolitan, cultural or geographic area, or it may be contained within any of these.

Necessarily, therefore, universal definitions must give way to operational ones; for the planner the region is an area for which planning can be undertaken because it is economically or socially feasible or desirable.

Ideally, regional planning is a multi-disciplinary approach to development and is intended to give locational and institutional shape to national policies and plans. In the first instance, regional planning may supplement overall national planning in order to

- i) help localize investment, and
- ii) help eliminate structural, institutional and social obstacles at a level at which they can well be tackled together.

Thus, it is clear that the more the economic systems becomes differentiated and "affluent", the more regional development goals have to be shifted to the front line of priorities.

Regional planning may also be a technique for relating the economic, social and physical aspects of planning; for assessing the social and economic effects of spatial arrangements proposed or decided upon; for avoiding particular investments or the provision of particular facilities in a micro-analytic framework, i.e., in terms of what is best for the success of the project, and sometimes vested local interests rather than in terms of its broad economic and social impact.

Regional planning can also be a technique for the more economic exploitation of the physical resources in a given area, and for the better development of its human resources. The creation, through deliberate investment, of a growth pole in a particular area can stimulate or revive the development of resources and skills, in such a way that there can well be a spill-over effect which will lead to the development of neighbouring or even distant areas.

Further, regional planning offers the most comprehensive and systematic approach to solve the problems of over-rapid urban growth which, in most countries, takes place at the expense of the rural countryside. It can provide a framework for promoting the most rational distribution of population in a given area, for dealing with internal migration and for the establishment of new patterns of settlement. It can be a means of taking advantage of the external economies inherent in large, urban agglomerations of otherwise rationalizing the distribution of additional investment in power, transport and utilities as well as the dispersal of new industries.

Also, regional planning can provide a framework for seeking the balanced development of different regions of a country and for mapping out the particular strategies required to deal with backward or depressed⁽⁷⁰⁾ areas without sacrificing the existing "growth poles" or "growth centres".

Whatever the special approach to regional planning, most opinions will agree that it is concerned with bringing about concerted action to guide the process of regional development towards specified social objectives. It is an instrument, therefore, serving the transformation of the existing spatial structure into one compatible with these objectives. The required magnitude and

orientation of regional planning will therefore depend on the degree of divergence between these two spatial structures, the existing and a normative one.

If the two structures coincide, regional planning primarily has "accompanying" functions (*politique d'accompagnement*) oriented towards maintaining the system and filling in or polishing off the rough edges. To take a simple example: if a country's development is polarized in one area and such a pattern meets with the approval of the politically effective part of the population, the role of regional planning is one of providing the necessary infrastructure to facilitate the efficient functioning of this pattern by helping to overcome problems in the center of development (related to matters such as the mutual interference between different activities, the integration of rural-urban migrants and the allocation of space to specific functions). In the non-developing rest of the country, it serves to patch up some of the more striking problems such as extreme poverty or hardship caused through natural phenomena. Planning and action will be spotty, wherever day-to-day problems press upon politically relevant local groups or where they handicap growth interests of the national power groups (primarily in the centers of development). It is essentially what Friedmann calls "allocative" planning.(71)

If, however, the existing structure and its prevailing trend is increasingly not in conformity with broader economic, social, or political objectives, regional planning will have to facilitate the changes in spatial structure required to realize these objectives.

Both in spatial patterns and social objectives change in the course of development. The role of regional planning will accordingly vary from one stage of national development to the other and can assume a rather different framework. The following are examples of situations in which regional development activities can be generated.(72)

Situation N.º 1. A given country is trying to use assets which could be generated by regional development in order to accelerate the rate of economic, social and cultural growth on a national scale.(73) The characteristic features of this situation can be outlined in the following way:

- a) The implementation of interregional development schemes is promoted by the central government via a central planning or programming agency.
- b) The interregional development plan or program is designed for the whole area of the country, in most cases within the framework of a general development plan. In this case the regional development plan of a given country is composed of three interrelated sets of programs:
 - i) the general programs
 - ii) the sectoral programs
 - iii) the interregional programs
- c) Interregional development in this case means the regional disaggregation of national economic and social policies.

Situation N.º 2. The regional development activity is generated via the integration of local activities in order to solve problems on a regional scale that cannot be solved at a local level. A very good example in this field is supplied by the tendency to overcome the obstacles created by the traditional administrative divisions for urban development via the promotion of metropolitan planning.

At the opposite end of the spectrum, we can indicate programs promoting the modernization of agriculture on a regional scale. This is not only the problem of technical and managerial innovations in agricultural production and services, but also the problem of the changing of the quality of life to the population in rural areas and small towns. The idea of growth centres concentrating on new productive and infrastructural investment is applied very often in this context.

Situation N.º 3. In a given country, a special action for regional development is designed and implemented in order to accelerate the economic, social and cultural change in an underdeveloped or depressed region. Such an action can be performed within the framework of a general planning or programming machinery or via the establishment of a set of institutions which do not have a counterpart in the more developed regions of the country.

Situation N.º 4. The regional development activity is started and implemented as a consequence of a sectoral investment decision. In this case, the primary motivation for regional development was created not by the regional, but by the sectoral forces. Nevertheless, in contemporary conditions, in most cases, the sectoral unit is recognizing the necessity to design and implement a regional development plan which will establish the proper relations between the economic and non-economic activities and which will design a proper set of social and cultural institutions and investments.

The four situations are indicating that the majority of regional development activities can be explained as a conflict, dialogue and compromise of

- a) national and regional-local forces
- b) sectoral and regional forces

For the sake of clarity, we should accept the distinction between interregional and regional activities. In situation N.º 1, we have a typical interregional problem, the problem of arbitration between regions.⁽⁷⁴⁾ In situation N.º 2, we do not face the problem of how to allocate the targets and means among regions, but how to solve a problem inside a region. So, situation N.º 1 is an example of interregional activities and situation N.º 2 of regional activities. Planning at both levels is mutually interdependent and conditioned on each other. For example, planning of the location pattern within a region cannot be done without a knowledge of what activities playing a part in the interregional division of labour are to be located in the region. However, what activities are to be located in a region depends in turn on the pattern of location within the region, since the actual pattern and the planned transformation of this may affect the productivity of different projects differently. It is therefore a strong case for co-ordination of interregional and intraregional planning.

PART TWO

THE PORTUGUESE CASE STUDY

II. THE PORTUGUESE CASE STUDY

1. GENERAL CONDITIONS FOR REGIONAL DEVELOPMENT

1.1. HISTORICAL BACKGROUND

The present situation of the country cannot be understood without a reference to its historical background.

In the XVIth. century Portugal led Europe in the adventure of discovery; by the end of the century, however, the competition of the new maritime powers in the field of world trade, together with a period of 60 years (1580-1640) during which Portugal was ruled by the kings of Spain, changed drastically the situation, as far as Portuguese influence was concerned: the commercial institutions of the British and Dutch companies proved to be more efficient and adaptable than the centralized, crown-dominated, Portuguese institution (Casa da India). As a result, from 1640 onwards Portugal turned itself more and more to the development and colonization of Brasil and, in more than one sense, turned its back to Europe.

The profits from the exploitation of Brasil's natural resources (gold, sugar, cotton, tobacco, etc.), which did nothing to stimulate the national productive structure, allowed the Court to live in a luxurious style, obviously without any relation with the prosperity of the country. On the other hand, agriculture remained extremely backward, and the feudal patterns of land ownership were maintained, with the result that the landowners, even when they moved to the city (XVIIIth - XIXth centuries) retained the greater part of the power in the country.

As a result of the very favourable conditions given to the foreign merchants which established themselves in Lisboa in 1640-1680 (and in Porto, later), the Portuguese bourgeoisie was reduced to a secondary, almost passive role, while the foreigners (British, Germans, Dutch and French) controlling the most important and profitable part of the trade with Europe. The few Portuguese merchants of any importance concentrated their attention al most exclusively on the colonial (i.e. Brazilian) trade.

During the XVIIIth century Portugal's trade was dominated by England; by the Methuen treaty english cloth was allowed free entrance in Portugal (and we must remember that, at this time, the textile industry was "propulsive", in the sense of Perroux, for it had a great number of backward linkages: production of boilers, steam engines, looms, etc), and Oportowine was allowed free entrance in England (this trade was mainly in the hands of the British).

In 1808 Brasil's ports were opened to merchants of all nations, which helped to weaken still more the position of the portuguese bourgeoisie; this was followed, in 1820, by the declaration of independence of Brasil. The liberal revolution, more or less at the same time, brought to power a group of people which swiftly adapted themselves to the old ways of the "ancien régime", and allied itself with the landed aristocracy.

Some of the positive developments of this period, unfortunately, were rather short-lived. By the middle nineteenth century, Portuguese agriculture was in very difficult straits in deed, due to both internal and external problems: continuous population increase, progressively greater fragmentation of land, increasing sub-differentiation of the peasantry, difficulties in wine production and increased fiscal burdens of the State.

The post-1850 years continued the process of attenuation of the vestigially feudal past. This period, as well, witnessed another evolution in agriculture, but this time one essentially political and juridical in nature. The general international instability of the era was reflected in Portugal by the rather frenetic scramble for land for security. This time, the emphasis was upon property rights and commercialization of land, yet agrarian contracts and the relationship of cultivators to the land remained unchanged. The appearance of a rural bourgeoisie and latifundial agriculture, namely in the South, signal a radical change in the nature of domain over land, the advent of mercantile domain. However, the eventual deterioration of the potential of this land-holding form, supports what one can write regarding forms of domain: one must realize that the forms of domain are but forms; it is the use to which they are put that is of the major social consequence. Thus, mercantile domain has been used differently by land owners truly bent on improving the very process of production and by those merely concerned to maximize their monetary returns without changing the bases of production.

In essence, therefore, this post-1850 evolution was not intentionally of a social nature, but only indirectly generated further social changes.

The transformations occasioned by this evolution were again more or less advantageous to one particular class. However, this was a middle class group bearing strong dissimilarity to the class it had superseded and very much unlike its more enlightened counterparts in other western European countries. In the main, it was a detached landholding group, a rentier class decidedly unprogressive and parasitical.

This situation had important repercussions for the state of Portuguese agriculture, namely for the very social organization of regional societies in general and of rural town and village networks in particular. Great social distance between the peasants and gentry (often absentee landlords whose source of identity remained outside the village and attached to a larger socio-cultural system) and patterns of acute differentiation among peasants themselves were among the negative effects of this evolution. Eventually, these conditions contributed to the extensive sectionalization and atomization of Portuguese regional social structure, and prevented the development of a future viable social organization.⁽¹⁾

Thus, the backwardness of Portugal and the differences in the development between this country and the developed Europe date back as far as the nineteenth century. Even during the period between the Wars the Portuguese economy made, however, little progress. The movement of the economy during this period may be perhaps best qualified by the term stagnation. Under this aspect, E.A.G. Robinson's⁽²⁾ remark that regional development does not start with a "tabula rasa" seems to hold notably for Portugal, where the influence of belated and slow industrialization met with resistance from the regional structure, which had been formed throughout the long period when the economy and society had been predominantly agrarian.

The wave of industrialization, spreading from England over northwestern Europe to penetrate the Continent, gradually lost its intensity as it moved south. Especially the "Pirinéus" was the critical line separating the more advanced, for the most part industrialized west of Europe from its less developed and mainly agrarian "Peninsula Ibérica".

The decline in the intensity of industrialization as this spread further from the north was reflected in the development of the different European countries. The further a country was situated to the west or to the north, the more developed it was and vice versa. On the other hand, in Portugal and Spain the per capita income was below \$300 and the agrarian population represented between 60 and 80 per cent of the total population (till 1950).

These high percentages concealed the extent of unemployed and underemployed labour which could have been freed from agriculture without endangering agricultural output.

The abundant labour force and the unintensive character of farming resulted in low productivity in agriculture. The practice of this type of farming was due to: a) either the low yield per unit of cultivated area, per head of cattle and fruit tree (especially in the regions of the north and centre of Portugal and b) or the relative neglect of cattle-breeding and of intensive cultures in which a lot of labour is expended, but which also yield a higher income per hectare, and c) or the distorted land tenure system with predominance of "latifúndios" in the south of the country (Alentejo). Additional causes were the limited effective demand and the difficulties involved in the export of agricultural products. Low prices for agricultural products and the absence of incentives for the development of production are the natural consequences of these conditions.

The low productivity of the agrarian population, which was the major part of the whole population, has a decisive influence on the averaged per capita income. According to our estimate, labour productivity in Portugal was about twelve times lower than in England. Non agrarian activities are, indeed, much more lucrative. This is shown by the fact that the income of the urban population was two to four times higher than that of the agrarian population. Although the higher non-agricultural productivity had a considerable effect on the average per capita income, it was limited because of the relatively small size of the non-agrarian population and its relative productivity.

Because of the rudimentary division of labour, it was the tertiary sector which lagged most behind, while the productivity of the secondary sector was much below that of the developed countries of Western Europe. The position in the secondary sector can best be illustrated by the fact that generally more workers were employed in handicrafts than in industry. Industrial productivity was low compared with that of developed industrial

countries. According to K. Mandelbaum⁽³⁾, productivity per worker employed in manufacturing in Canada was about three times greater than that registered in Portugal at the same time. Other relevant indicators per worker employed in manufacturing (capital, installed power, annual consumption of material, etc.) show approximately the same ratio as labour productivity.

A detailed description of the pre-war conditions which determined regional structure in Portugal would be outside the scope of this work. If we are to highlight these conditions and the change in the regional structure, then we must deal particularly with the slow industrialization process. In the Portuguese economy there was a disequilibrium between the rapid increase of the population and the lack of capital which lasted from the first half of the nineteenth century up to the Second World War. The new population went into agriculture for want of jobs in non-agrarian activities, increasing the pressure on the limited agricultural areas. Under these conditions the economy could not cope with the poverty. The rapid increase of the population, the low living standard and the slow growth rate of the economy induced a strong propensity to consume and the formation of capital was necessarily slow. Atomization and insufficient mobility of capital also caused trouble. Existing preferences attracted capital away from industry. The scant capital available was thus employed for the most part in the seasonal trade in agricultural products, in the extension of short-term credits and in the construction of houses in large urban centres. The maximization of profits and the minimization of risks played a crucial role in the creation of such preferences.

These degenerative tendencies in Portugal were a challenge to the slow industrialization process. Even when industrialization succeeded in putting an end to these tendencies, in some other countries, important remnants of the agrarian structure were left intact. In Portugal, where the industrialization process was particularly slow, there were not only important remnants, but the dominant features were those of an agrarian economy and society.

In Portugal, vast underdeveloped regions, particularly mountain and interior regions, were barely covered by a thin stratum of contemporary civilization. These regions were populated by a peasant society characterized by predominantly closed economies and isolated markets. Agriculture could not influence the movement of prices and technical progress. A lack of universa

lity, perhaps the outstanding feature of this predominantly rural society,⁽⁴⁾ became apparent in different mentalities, scales of value, norms of behaviour, professional preferences, nutritional habits and, of course, localized customs. If any clear distinction can be made between regional, sub-regional and local societies, then such a distinction would certainly be applicable in Portugal.

The variety of social characteristics to be observed in these regions was due to different historical, social and religious influences and had been favoured by poverty and the low level of education. The invading money economy and contemporary civilization were too weak to check these influences. However, the collision of the two types of society was especially noticeable in the behaviour of the people and in their attitude to development. These relative, double moral codes, as a parasitic attitude towards broader social interests, can be illustrated by the following example: If a trifle is stolen in a village, the thief will be morally discredited and will, as a matter of fact, have to leave the village. If, however, someone comes back from the army with a stolen cloth, he will be considered as a clever man! Which testifies for the "closeness" of local cultures and moral orders.

The extension of agricultural areas over common land and the devastation of woods which were owned by the State represented classical possibilities utilized by the village. The hunger for land caused conflicts among neighbours which resulted in lawsuits. The cost of these lawsuits sometimes far exceeded the value of their subject-matter. Small towns (it was this type of town which existed in Portuguese countryside) tended to exploit the village, taking advantage of the villagers' ignorance and naïveté.

To have a job outside agriculture was a privilege even if it was in industry or in a mine where wages were low. Many people wanted to become clerks, since the choice of jobs was limited. The bureaucrat enjoyed considerable social prestige since his salary was higher than most other people and his job was secure. Furthermore, in some regions manual labour was looked upon as low. Difficulties in the adaptation of emigrants from depressed regions to the new environment caused political conformism.

On the other hand/^{the} effect of expanding population was accompanied by that of low prices for agricultural products. The

indebtedness of the peasants indicates how poor they/and the terrible impact of the agrarian problems. The conclusion to be drawn is that the money economy although insufficient, paved the way for severe forms of exploitation and destruction. Small institutions and individuals extended credits which had to be repaid with very high interest. These credits were, in addition, often accompanied by fraud and blackmail. Merchants took big profits on the seasonal difference in the prices of agricultural products, running almost no risk at all. They were nowhere so powerful as in the countryside.

The poverty of the agricultural sector also seriously affected small towns which performed functions for agriculture. The static size of the population in spite of the emigration from agriculture reflected the lack of jobs and prospects in this type of town. The handicraft industries underwent an acute crisis because of changes in habit and the competition of the manufacturing industry. Some old Portuguese rural handicrafts disappeared quickly and for ever, distorting thereby the internal structure of small towns and disrupting some already established intraregional relations.

The destruction of the social structure kept abreast of economic impoverishment. Big families in Portuguese villages were rapidly broken up, bringing about the further atomization of ownership. Customs which had their origin in earlier social conditions were steadily losing their significance and primacy. There was more imitation in the consumption than in the production of material goods. This was one but, of course, not the main reason for the increase in peasant indebtedness. The trouble lay, however, not in the destruction of a traditional structure, which was historically inevitable and might even have turned into progressive change if it had taken place in the form of accelerated economic and social development. But, in fact, there was no economic development at all, and the contemporary industrial civilization did not make its appearance rapidly enough.

At this time (1850) a technocratic Government started a program of public works that stimulated the creation of a certain number of industries, but was mainly profitable to foreign companies. By the turn of the century Portugal, on the wake of the other colonial powers, turned its attention to the African colonies, the exploitation of which allowed the maintenance of the status quo of economic underdevelopment, until the war of 1944-45 forced the creation of a number of industries to replace imports and started the country on the path of deliberate industrialization.

STAGES IN THE PROCESS OF DEVELOPMENT OF PORTUGAL

STAGES	ECONOMIC DEVELOPMENT	SOCIAL MODERNIZATION		POLITICAL MODERNIZATION
I TRADITIONAL SOCIETY (..... 1820)	<ul style="list-style-type: none"> Exploitation and colonisation of the overseas territories, namely Brazil. Regression of the national productive structure. Agriculture remained extremely backward. The feudal patterns of land ownership were maintained with the result that the land owners retained the greater part of the power in the country. 	<p>The Portuguese bourgeoisie was reduced to a secondary, almost passive role, with the foreigners (especially British and Dutch) controlling the most important trade with Europe. The few Portuguese merchants of any importance concentrated their attention almost exclusively on the colonial (i.e. Brazilian) trade.</p>	MONARCHICAL REGIME	<ul style="list-style-type: none"> Colonial rule. Portuguese economy was dominated by England. By the Methuen treaty, English cloth was allowed free entrance in Portugal, and port wine was allowed free entrance in England (this trade was mainly in the hands of the British).
II BEGINNING OF BREAKDOWN OF TRADITIONAL SOCIETY (1820-1910)	<p>Transition towards market economy and beginning of integration into international market. Portuguese agriculture was in very difficult straits due to both internal and external problems.</p>	<ul style="list-style-type: none"> Attenuation of the vestigially feudal past. The general international instability of the era was reflected in Portugal by the rather frenetic scramble for land for security, the transformations occasioned by this evolution were again more or less advantageous to one particular class. In the main, it was a detached land holding group, a <u>rentier class</u> decidedly unprogressive and parasitical. Extensive sectionalization and atomization of Portuguese regional social structure. Maintenance of most of traditional institutions and beginning of some primary processes of modernization. 		<ul style="list-style-type: none"> Liberal revolution. Independence of Brazil in 1820. The power is taken for a group of people which swiftly adapted themselves to the old ways of the "ancien régime", and allied itself with the landed aristocracy.
III SOCIAL MODERNIZATION AND BEGINNING OF THE ECONOMIC EXPANSION AND DEVELOPMENT (1910-1926)	<p>Primary export economy</p> <ul style="list-style-type: none"> Expansion of market economy Economic development based on primary exports. 	<ul style="list-style-type: none"> Formation of an <u>urban élite</u> oriented towards more "modern" economic attitudes and penetrated by the new political ideologies. This fact is important in explaining some traits of this socio-economic groups (modernizing élites), of great strategic importance in the development of the country. That is, while the <u>pattern of concentration</u> was, in part, certainly a result of the colonial empire, the <u>formation</u> and nature of the corresponding social class was determined by other factors as well. Beginning of the economic and social hegemony of the Litoral area. 	I REPUBLIC	<ul style="list-style-type: none"> Revolution of 1910. Implementation of the I Republic. Development of the liberalization process. The political participation was considerably broadened and the régime passed from a stage of "limited" to one "enlarged" democracy.
IV TRANSITIONAL PERIOD AND FASCIST REGIME (1926-1974)	<ul style="list-style-type: none"> Beginning of the industrial era. Non-equilibrated industrialization. The economic policy of the fascist government was oriented towards the protection of the landed interests and the maintenance of the old economic system based on primary exports (especially wine and cork). National interest was sacrificed to class interests till 1950; even moderate attempts to give some official support and orientation to the spontaneous and disordered industrial growth were rejected. The complete lack of coherent long-term planning continued to prevent the adoption of an adequate economic policy. 	<ul style="list-style-type: none"> The predominantly agrarian traditional structure was gradually submitted to the urban society. The Litoral became the "central" area, the interior its "periphery". The change was both economic and political. The Litoral not only developed most of the economic activity, more rapidly entering into the market and attracting the majority of the population, it also became the site of political power. Eruption of the emigration process (1 million emigrants to Europe during the decade 1960-1970). 		<ul style="list-style-type: none"> Implementation of a dictatorship régime (1926). Political "de-mobilization". Breakdown of political modernization.
V MILITARY INTERVENTION AND DEMOCRATIC GOVERNMENT (1974)	<p>Providing the basis for a coherent economic development policy.</p> <ul style="list-style-type: none"> Integration to the European context. Anti-monopolistic industrial policy. Protection of the small and medium size enterprises. Beginning of the agrarian reforms. Launching of a dynamic regional planning policy. 	<ul style="list-style-type: none"> Establishment of a minimum wage for the working class. Popular participation, deconcentration and decentralization of decision-making are being favoured. 	II REPUBLIC	<ul style="list-style-type: none"> Democratization of the country. Establishment of a coalition government. Decolonization of the African territories.

1.2. SOME FEATURES OF PORTUGUESE REGIONAL SOCIETIES

Following this evolution it seems to me important to point out some aspects of the sociological background of Portuguese regional societies.

A social framework of Portuguese societies must consider first I believe, the existent diversities rather than the stereotypes of national culture. For behind the diversities there is room to discover continuities which run counter to the varying political hegemonies, observing the exigencies of the ecology or the entrenched conservatism of the local and regional settlement.⁽⁵⁾

Indeed, until recent times a large number of regions, even of cities, contained populations of highly diverse culture and ethnic origin. If such observations lead to nothing else, they must at least lead us to question here the popular conception which assumes, at the same time, that regional societies can be studied under the title of their nation as geographical entities, and explained in terms of a common history.

The problem is the fact that modern national ideology is the creation of the educated classes (élite), the protagonists of national culture, in the popular as opposed to the sociological sense, which radiates from the metropolis fulfilling the function of national integration. The "élite" is little aware of and offers still less sympathy to the way of life of those within the national frontiers who differ from them,

It is curious indeed, even though there were reasons for it, that Portuguese society which figured so large in the writings of the most famous historians and also of the founders of Portuguese anthropology, should have been abandoned as a field of investigation by sociologists, namely those ones concerned with development and planning matters.⁽⁶⁾ Only recently have students and experts of social development returned to wrest the golden bough from the hands of the past.

There is reason for this renewed interest today. Problems of social change and regional development have become

the preoccupation of so many. Pseudo-historical explanations in terms of origins and survivals have been left behind far enough for us to turn without misgivings to consider the persistence of certain social features and the failure of others to impose themselves; diffusion and resistance to diffusion can be studied in terms of the functional necessities of the environment, with a wealth of historical sources to be found nowhere else in the world. A second problem, related to the first, which has come to the forefront of sociological thinking in recent years, is the relation of the local community to the larger social units which enclose it. The peasant society has been defined as a part society, but part of exactly what and how related to that of which it is part, remains largely obscure, while the temporal dimension of this relationship, after the initial hypothesis of a folk-urban continuum and its subsequent discussion remains obscurer still.⁽⁷⁾

Thus, the "folk-urban continuum" poses the problem of the structural relationship, in synchronic analysis and in evolution, between the local community and the region, city, and nation - the outside world.

In this way, there is an impossibility of talking of the country at all without its relation to the city and arises a refinement, too often neglected by modern sociological writers, as to the definition of the countryman: that between the countrymen of the plains and the proximity of the cities, and the mountain dwellers; between the rural proletariat of what have been called the agro-towns and the peasants of the rugged regions. And, more in general, the definition of what is "rural", of how many types of ruralism are there or can there be, etc.

The reciprocal ambivalence between townsmen and countrymen is also to be noted; beside the stereotypes, the virtuous countryman and the vice of the city, reality shows the countryman looking to the city for leadership and fashions, envying the luxury which he sometimes affects to despise; while on the other hand, the urban people, for all their fulsome romanticism regarding the peasant, patronise him when they meet him to face, allowing his virtues only as the correlate of an inferior status. This ambivalence is expressed in its most striking form by the modern tourist who invades the countryside of Portugal during the summer months and whose behaviour towards the inhabitants frequently makes clear his appreciation of their relative status.

While admitting the eternal quality of "weary-of-it-all" sophistication which leads the townsman to yearn for the peace and quiet of the country, one must go more down to earth explanation; the virtues of the countryman in the eyes of the classical moralists relate to the fact that they do not and, given the structure of the countryside, cannot rebel against their rulers. Yet it follows that the countrymen so idealized were not the rural proletariat of the agro-towns or the poor small agriculture workers, but the tenant or owner-farmers whose life presented a picture appropriate to the ideals of freedom and simplicity.

Let us turn now to the relation between the social structure of the local community and the wider society of which it is part. The degree to which the local community is integrated into the national structure, and the mode of its integration, are highly variable, yet one can distinguish a certain progression from an earlier period to the present. The solidarity of the community, the kinship group and the extended family as social, economic and juridical entities have suffered during the last two centuries at the hands of national integration. The functions which the state has taken over have increased: responsibility for law and order, communications and economic organization have vastly extended, conceptually as well as territorially. And these increased functions have generated the desire to impose a greater uniformity of law within the national territory.

At the same time the concept of individual ownership has grown at the expense of collective property. The passage from relatively autonomous communities to units within an integrated region involves the destruction of pristine collectivities in favour of individual rights. For the individual is someone with whom the modern state can deal - his responsibilities towards it can be defined by the national law, he can belong to the national as well as to the local community - but the village community and the patrilineal descent group are not. In a few words, the old village community has opened up into an aggregate of social networks. However, not all of these social networks have undergone a process of modernization to the same extent or with the same results on social relations.

In the same way, integration into the regional and national economy involves adopting its standards: currency, contractual freedom, wage-labour and investment which are incompatible

with a customary law that defends the cohesion of collectivities. Yet it follows that once the balanced participation in collectivities has been done away with, individual ownership opens the door to increased economic inequalities and thereby makes possible a system of patronage founded upon economic power through which the local community can be controlled in a way which is not possible through a system of hereditary seigneurial allegiances, or traditional leadership based upon customary law. Individual ownership, to the exclusion of all other forms, appears then as a function of political and economic centralisation within an atomistic-liberistic world-view.

Thus, unlike more distinctly stratified societies with entrenched (and perhaps, enlightened) powerful elites, Portuguese regional societies, in some cases, over a relatively brief time, became characterized by systems of detached, shifting networks of patron-client relationship, informal circles of men, and intelligentsia whose major loci of influence and power were outside the confines of the rural communities. Moreover, the accelerated possibility for mobility, contributed as well to a rather "fluid" and anachronic social situation.⁽⁸⁾

Undoubtedly, a consideration of the clientele system's functions would constitute an interesting theoretical problem and several factors are to account for the existence of this system: the high degree of government centralization; the need for economic protection in agricultural areas of difficult credit and high interest rates; the Portuguese traditions according to which scarcity of employment and emphasis on tertiary services made the obtaining of jobs subject to the whims of a powerful man.

In accordance with this reasoning, the tenants of nineteenth century liberalism in Portugal required on the one hand a centralized administration and on the other, the disentanglement of, first, the ancient "fidalgos" of the aristocracy and the foundations of the church; but, once this had been accomplished, ^{also} the sale of the common lands which passed into the individual ownership of a new class of land-owners, new in the sense of the place which they occupied within the social system.

It is not my intention to suggest any necessary evolutionary scheme through which the local and regional Portuguese societies may have passed in their relation to the growing state and the integrating nation, but only to stress from these aspects that their internal structure is related to their place within the wider society. It is equally true, of course, that the possi-

ble modes of their integration depend upon their internal structure; the balance of factors whereby they maintain their continuity may be upset by a change in their external conditions which provokes a fundamental readaption, or on the other hand it may be so ordered that they adjust easily to such changes, remaining themselves unchanged. The distinction between the independent peasants and the countrymen of the plains whose proximity to and participation in the life of the city gives them a different scope in local and national culture and affairs, is relevant to this.

Any discussion of the sociology of rural Portugal must be prepared by the the distinction between the North and de South, whose characteristics appear in most matters totally opposed. It is moreover a distinction which goes back through all the written history of Portugal. It follows that the social structures of the two halves of the country (separated by the river Tagus) have shown great continuity through all the vicissitudes of time. I shall attempt to show that while the communities of both are extremely stable, the nature of that stability is quite different.

The first contrast to be noted is a climatic one: that between lands of adequate or inadequate rainfall, related, as one might expect, to differences in temperature and accompanied by appropriate variations in vegetation. Associated with these are distinctions of terrain, either on the whole broken or flat; and this again affects to techniques and scale of agricultural undertakings, and also the facility of communications.

From this it is possible to derive different requirements of labour and economic organisation: subsistence farming where there is adequate rainfall and therefore a stable labour demand, combined with difficult communications; or cash crop farming where the labour requirement fluctuates and there is easy communication with the markets of the cities. Again major differences in financing are implied.

The patterns of land-tenure and demographic distribution follow. In the north subsistence farmers live upon their land or in farm houses united in straggling and dispersed villages. The south is the land of the "montado" (latifúndio on the basis of cork-tree forest), the heir of the Roman and Arab Villa, and the agro-town which houses both the owners of the estates and also the greater part of the labour, sporadically employed more often than not, upon the "montados". Cutting across all the varieties of share-cropping, employment and lease, one can sum up

by saying that engagements, whatever their nature, tend to be for short terms, and that large scale exploitations are both advantageous and frequent, which is not the case in the north.

By consequence, the agrarian structure of Portugal remains highly polarized and differentiated between the north and the south. The small farm of the north are predominantly family farms and they constitute the class of small peasant holdings. They work both freehold and leasehold land, and it is not uncommon for one unit to incorporate both types of tenure. Together with inheritance practices, these tenurial arrangements create the morcelling of properties and the parcellation of holdings, thereby making fragmentation of farm units one of the most pressing structural problems of north farming, and respective regional development. Consequently the laws governing tenancies remain a sensitive issue: in fact, until most recently their reform has been largely ignored, in part because of the manner in which legislation of this nature jeopardized the interests of the land-owning middle classes.

The other pole of the agrarian structure belongs to the capitalist farm of the south, the "latifundia", as most English-speaking people like to call it, without realizing quite the variety of labour and management contracts existing within the category. In its simplest form the south capitalist farm is large in area, managed by the proprietor and run with the aid of a small body of hired hands under annual contract and a larger body of less permanent, and less skilled day labourers - "os assalariados". The pressure of population and the perennial search for land it induces has enabled the large landowners to take advantage of their oligopolistic position and to establish types of leasehold that are agronomically pernicious and socially deplorable in their consequences. Instead of providing the tenant with continuous pieces of land and a group of buildings, the proprietors have made it the custom to share with the tenant the care and management of non-contiguous areas of land for only limited periods of time. Even worse, under the system of "arrendamento" the tenant contributes little more than his labour, and that of his family, and shares with the landlord the risks of raising one crop only, or worse again, responsibility for only one phase of an agricultural cycle. Under such a system the agrarian structure itself acquires a fugacious character inimical to good farming practices, and to certainty of income and welfare for the land working class families. In fact, for the tenant there is no security of employment, because the lease is renewed annually; but unlike the "assa

lariado", he shares in the risks of the enterprise and the return for his labour is only determinable after the cycle is completed. However, the system of contracts in the capitalist sector has been in a process of evolution, influenced by rising labour costs, new agronomic methods, the prospects for mechanization, the effects of migration, and in some areas a growing shortage of labour.

The agrarian structure of the south, the classes and strata associated with it, have created the principal components of the region's social structure. The fundamental social distinction has been between those people who work with their hands, the "assalariados", and those who do not, the landowners - the "patrões", their managers or intendants. There is a polarity in the social structure of the South but this polarity is not exclusive. It does not prohibit a whole series of social and economic liaisons between the higher and lower orders, and it does not eliminate the existence of important but not absolute distinctions within the body of either the manual or non-manual classes. By definition the "assalariados" are effectively the rural proletariat; but life in any agrarian region would be impossible without some access to a pocket of land, however infertile or unstable the contract might be. Within the life cycle of one individual, he might climb from the ranks of the "assalariado" through those of the small tenant class, to the status of a dwarf peasant proprietor; only to fall back again, through bad management, ill health, or fate. The tenants tend either to be economically assimilated to the proletariat or, in a far lesser degree, to evolve into the "de jure" capitalist and ruling upper class.

The landowning class is far from undifferentiated; it has included titled proprietors of under-utilized latifundia, the possessors of the modernized large cereal or cattle-raising estates, the class of middle and small proprietors who may own poor cereal land, and who may at one period of their family's history have belonged to the peasant classes. It is a characteristic of Southern life (Alentejo) that the landowning class tends to confront the tenant and peasant proprietors not only as property owners and hirers of labour but in some professional capacity as well; as lawyer, doctor, chemist or bureaucrat. The relationship may not be at the face to face level, but it is sufficiently overt for the peasantry to be aware always of the influence exerted upon their daily life by the configuration of predial, political, economic, bureaucratic, and religious interests.

Another factor of importance is that of security. The subsistence farmer may be poor but his resources are enduring. The cash farmer in a dry region (like Alentejo) is a gambler, balancing between bumper crop and ruin, between shortage inflation and glut; and the labour^{struggles} between harvest wages and long periods of seasonal unemployment. The possibilities of speculation are very great. Alentejo, one can say, is a region of endemic famine.

These are the seemingly immutable features of the different regions. Implications in the realm of social structure are not hard to divine. Yet first of all, a word of clarification regarding the accepted view of the social structure of Portugal and, especially, of Alentejo. It goes like this: Portugal, (and more so, Alentejo) is a land of rich and poor only; there is no middle class. Consequently there is no possibility of crossing the gulf between these two completely different worlds; that is to say, there is no social vertical mobility. Yet these two elements of the population live together in the same vicinity, cheek by jowl, though without any real contact, from which situations of social discontent arise.

Statements of this general import are frequently followed by more specific information which appears to fit ill into the general picture, such as discussions of the professions (the army, the church, the bullring or the business of contraband) which enable a person of humble origin to rise to riches or dignity. Or figures are given of the number of large properties which today belong to the grandsons of former bailiffs, or of the "nouveau riche", followed by the pertinent observation that the upper classes of Alentejo speak with a regional, not a metropolitan accent, or the "nouveau pauvre", the ruined aristocrat, is declared to be an eternal figure upon the Portuguese social scenery.

What is missing in Portuguese countryside, specially in Alentejo are not persons of intermediary resources, nor the ambition, nor the possibility of changing their status but simply the concept of a middle class, as such, differentiated by its functions, way of life, place of residence and consciousness from both the peasants and plebs on the one hand, and on the other, from the land-owning gentry. The function of trade has never been the prerogative of a "bourgeoisie", and land is simply the soundest form of investment. Indeed, the term "bourgeoisie" itself loses at any rate its original meaning where "everybody" lives in a town.

The great gulf is not an economic one between rich and poor, but a social one between those who work with their hands and those who do not, and while this difference implies different functions in society and differences in wealth and education, the two classes overlap economically. In the last resort it is between two styles of life, and though a person's style of life derives from his birth, it is nevertheless open to modification from one generation to the next. Thus, when discussing with some small farmers the case of one of their number who had amassed a considerable fortune as a miller while yet remaining entirely plebeian, I asked whether, once the old men were gone, his two heirs would not decide to change their style of life. I was told that, though this might be expected to happen in such circumstances, it was unlikely in this case: "it is too late now and they are too brutish."

Among those who do not work with their hands, there are, of course, many distinctions of prestige derived from family origins, and wealth, ancient and unearned, is always more prestigious than riches wrought with toil; but this society is not dominated by ideas of exclusiveness, and intermarriage is frequent between those of different strata. Within the agro-towns the contacts between manual and non manual classes are necessarily many and often cordial, being conducted within the framework of a system of patronage which has not prevented, in the past, periods of social troubles. Those who have no contact have little to quarrel over, and the bitterness of the occurred troubles relates to the fact that their contact were close and affected issues vital to both classes; also to the fact that the dissidents found no help among the educated to support them.

The stability of a society depends in large degree upon the mode of succession through which the social units renew their personnel. Here we must consider the nature of the social unit in view. A village collectivity which redistributes its land for cultivation at regular intervals does not need to take in account the fate of the individual household. Its structure is affected only by an increase or decrease of the number of households. Where there is free land for occupation by those who can find the manpower to cultivate it, the population can increase without changing the size of the household exploitation. But where there is no surplus land and property rights are vested in individuals, the family faces the problem of its continuity from one generation to another in an acute form. It must fragment at a given point in time in order to reproduce a similar unit or units in

the next generation. The nature of succession poses a choice. Either the equality of siblings is maintained and each new family formed in the filial generation is regarded as successor of the parental family. In this case the inheritance is evenly divided at the death of the parents. The alternative is to maintain the unity of the family as a land-holding unit and admit only a single filial family to replace the parental family on the holding. Custom must then decree a basis of selection. The heir must be known in advance. One system chooses in terms of persons, the other in terms of the family. The latter ensures the stability of the family in time, the former submits its continuity to the hazards of its procreative power. There are of course intermediary solutions. I have taken the extremes which happen to fit the societies I am discussing.

The traditional law of succession in Alentejo is the same as the national law of Portugal, the equal right to inherit of all offsprings of the marriage. A family with numerous heirs cannot hope to pass on an economic equivalent to its children who must rely upon their own exertions or a fortunate marriage if they are to attain the economic status of the parents.

How the problem is dealt with at the practical level relates to the nature of the family possessions. When a family owns a number of different properties it is clearly only a matter of arrangement to divide them with appropriate adjustments. But when the holding is a single large exploitation which it is impractical to subdivide, since among other reasons there is only one set of farm buildings, a form of joint ownership appears, "pro indiviso". This allows for its exploitation in the collective interest of the heirs who actually share, not the property, but its profits. The direction is usually delegated to one of the heirs who administers it on behalf of all. Lacking a notion of solidarity beyond the elementary family, lacking a head of the family, it is only a matter of time before the collateral shares are bought out, usually to the advantage of the heir who has been charged with the administration.

When it is practical to divide the property this is usually regarded as a preferable solution, and when the family belongs to the class who work the land themselves, this is more frequently practical, particularly during a period of agricultural prosperity. However the smaller holdings are at a disadvantage and a period of retrenchment or a fresh family partition tends to

result in their sale and elimination as independent holdings. Therefore, together with an innate tendency towards the sub-division of the family estate, deriving from the law of inheritance, then also exists a fluctuating thrust towards agglomeration, which results from the basic insecurity of agricultural conditions and the flamboyant values of Alentejo society. If therefore the social structure of Alentejo shows a continuity through the ages, it is not due to the maintenance of the individual units which compose it, but to a balance in the tendencies of agglomeration and scission. The stability of the total pattern is founded precisely upon the instability of the constituent elements.

Consider, in contrast, the peasantries of the North: there are no great agricultural estates, but rather a system of family holdings, in the form of properties or long-term leases. The customary law of inheritance is invariably aimed at maintaining these holdings. Thus, in place of the equal division of the heritage among the siblings, we find systems of unique succession. The parental unit is replaced as exactly as possible by the filial unit. The forms of succession vary: primogeniture or the free choice of the child of the house by the parents. If the population were to remain stable and the number of births balanced, this model of continuity would suffice. However, the birth rate is extremely high, and a constant increase threatens the equilibrium of the system. The surplus population was condemned by tradition either to celibacy, through entry into a religious order or alternatively through remaining as an unmarried member of the household, or to emigration to Lisbon and Porto or abroad. It follows that differences in wealth are much less than in the Alentejo countryside and that the possibilities of social mobility are confined mainly to those who emigrate, though they may return later in affluence.

The imposition of the national law in matters of inheritance clearly challenges the stability of the system. Custom however, often contrives to conserve its norms in the face of the pressure of the administration. The solutions to the problem of the surplus population avoid, in various ways, the effects of the national law. Those who remain celibate pose no problem. The young emigrant receives normally a sum of money in stead of his share of the estate. The daughter receives a payment at the time of her marriage. The fact that these supposed shares are often much less than the legal share is overlooked. Custom disposes of the surplus heirs in time to assure the transfer of the family holding intact to the next generation.

The impact of modern economic conditions means a more lethal threat to the stability of this system since the amount of land sufficient for the maintenance of a family within the old subsistence economy no longer suffices today. The traditional pattern of land-tenure and the customs which accompany it are both condemned.

I have outlined two types of stable social structure: one in which the stability is due to that of its component parts, and the other in which it is due to a balance between unstable components. There is a final realm of difference in the kind of society which is associated with each, and this concerns the attitude towards stability itself.

When the stability of a society depends upon maintaining the continuity of the local collectivity or the family heritage, this is something which can be grasped by the people themselves who perceive the necessity of common lands and a communal herdsman if they are to continue to pasture their sheep collectively, or of restricting their heirs to a single couple if the family holding is to remain intact. On the other hand the continuity which results from the play of impersonal forces is not maintained consciously and may in fact persist in spite of the opposition of much of the population. The continuity is not planned and intended, but merely accepted as the nature of Destiny - or rejected.

The temper of the Northerners can be seen to differ fundamentally from that of the "Alentejanos". The industry and tenacity of the former are contrasted in the popular image with the softness and fecklessness of the latter; the respect for tradition with the love of novelty and a sense of time which devalues the past as readily as it discounts the future; the annual planning of the subsistence farmer with the daily purchase of provisions in a wage-labour economy; the spirit of thrift with the gambler; the "marriage de convenance" with the romantic attitude; the emigration of those who go abroad to make the money in order to return with the emigration of those who quit. Each of these alternative attitudes reposes upon certain basic evaluations of the nature of the self and of time which derive from the integration of the individual into his community and of his community into the total regional and national society.

In a society from which an industrial and entrepreneurial group was largely absent, social structure and social life has centered around the propertied classes and their satellitic

clientele in the artisanal and peasant classes. An economically undifferentiated society has nevertheless produced a considerable range of statuses and categories derived from the specialization of agricultural activities arising from the ecosystem, from the inherent competition for land and from the involution which job-finding produces in any underdeveloped society.

Though the result has been a highly differentiated and hierarchical type of society, with enormous political, economic and cultural distinctions, that society derived some form of integration from the daily exercise of power over the lives of the majority by the rural oligarchies. But the very structure of power always prevented that integration from assuming co-operative and democratic forms which might lead to reform and advancement. The long-term deterioration of the rural propertied classes in the national socio-economic context reduced them to a category in tow to the rest of society able to defend themselves against the assaults of men and events, thanks to the astuteness of the politicians of the day, but finally condemned, for they were no longer "uma classe dirigente". They lived, until the last two decades, confirmed in the fatalistic idea that the one reality is the land, and that the lease is an invention of God's to assure the proprietor a mean but unassailable existence, an independence attained through the thwarting of civil life.

Therefore, the only appreciably identifiable "legacy" from this unique, really proto-feudal past seems to have been the continuance of a relatively hierarchical, or at least decidedly unequal and unstable social order, and a belief in or acceptance of, its legitimacy. Although it is obvious that the discussion of a rural enclave of a larger feudal society does not intend that this description should be thought to reflect patterns and values identical to the larger unit but only on a smaller scale, it must be here stressed that "incidence" has strict relevance only to the regional societies. The evolution of the folk culture in urban centers and among ^{the} elite, has resulted in values, traditions and customs far removed of the earlier structure.

Thus has rural Portuguese society been condemned to an immobility which all too easily might be mistaken for stability, were it not for the evidence supplied by the frantic struggle to improve one's chance of security through upward mobility. And when this seemed quite unattainable, through migration, or emigration to abroad, or riot and banditism. Hence, the Portuguese

se rural regional world appears to be one in which social position, status-prestige distinctions, forms of etiquette, patterns of deference, and so forth, are still rather closely observed. It is a world of order, respect, and wideranging social imperatives, very much as the author has observed regarding peasantry in general: "Much of the success of peasant society appears to lie in the fact that the obligations and expectations associated with individual roles are social imperatives. They are not optional, at the convenience of a person; they must be recognized and accepted without question".⁽⁹⁾

The notion of hierarchy is also manifested on the level of social structure, in the Portuguese clientele system and in the accepted conception of leadership. The dissonant nature of many rural communities as systems of alliances and the often accompanying or resultant rural-image which, in the nature of things, has denied the peasant villager competence or legitimacy in different political-social tasks, have compelled him to seek assistance in a superior person with authority. One can write about the clientship system sustained throughout the history:

Clientele relationships characterize not only the support of the populations of rural communities with the national government but also with the local government as well as non-political contacts with professional people.

Though not myself a social anthropologist, I have treated some aspects which are of theoretical importance to regional development sociology, and which explain some social-political bottlenecks further referred to in the context of Portuguese regionalization process. I have attempted, in the observations I have made above, to stimulate discussion and research rather than to reach, myself, any scientific conclusions. I am obliged to recognize that there is still in the Portuguese society a real dichotomy, on the one hand, between the social forms of the city and the countryside and, on the other hand, between the North and the South. In the same way I accept the reality of many of their traditional attributes and I must also stress the wide acceptance of the traditional precepts by the people themselves. More precisely, I think that, at the present, the Portuguese cultural system (specially in the rural areas) is still postulated as an embodiment of the effects of a unique proto-feudal past and other subsequent historical developments.

1.3: DISCUSSING THE PORTUGUESE REGIONAL SOCIETY MODEL

The discussion of spatial behaviour so far has focused primarily on the economic aspects of relationships, reflecting the emphasis of most regional analysis to date. But the concept of socio-economic development employed here, with development seen as one complex process of the transformation of whole social systems, clearly requires a fuller integration of social factors into the analysis of Portuguese regional development. Consideration of social structure at the regional level is essential for an adequate understanding of the organization of human activity in space and, consequently, as a basis for regional development planning. The approach taken here for identifying some basic principles of Portuguese regional social structure is to outline and discuss a model of a regional socio-economic subsystem corresponding as closely as possible to observable realities. The following model is only one example out of many possible variations in regional social structure: but the structure to be described corresponds essentially to the empirical situation found in predominantly rural regions of Portugal.

To the extent that distinct regional subsystems exist in the spatial ordering of human activity, these subsystems constitute regional units of social structure. Within any regional subsystem, a number of social groups may be distinguished by occupation and by social status. The population of a typical predominantly rural region in Portugal might include, by economic function and in rough ascending socio-economic status, landless labourers, peasant artisans, peasant farmers, small merchants and service specialists, larger scale merchants, lowlevel and high-level officials, professionals, and large-scale landowners and industrialists.

Socio-economic status, however, is never a simple matter of a smooth continuum, but is tied to functional relationships and, in the present context, to positions in the regional economic system. If society can be seen also as a system organized for production, and whose principal output is economic goods, the crucial element in defining structural relationships between social groups then becomes the amount of control each group exercises over the operation of the productive system and over the distribution of output, and what each social group derives from it as a result. Thus, peasants (representing the largest proportion of po

pulation at the base of the social pyramid) are, by definition, members of a "part-society", dominated by more powerful sectors of the larger society. One aspect of this domination is that a portion of the income from the productive activity of the less powerful groups is directed into the dominant sectors.

In a regional context, the large scale landowners, large scale merchants, professionals, industrialists and high-level functionaries represent these dominant sectors and constitute what may be called a "regional upper stratum with an own élite", each of whose members may occupy a number of key positions of control over activities throughout the regional economic subsystem. The smaller scale merchants and lower level officials performe useful functions in the operation of the system although they lack the concentration of control over the system found among the élite. A rough "map" of hierarchical social relationships in any given region would closely overlap with similar maps of communications networks or marketing channels, with linkages extending from farm or village to standard market town, all ultimately converging on the regional centre of control of marketing and of public administration. This is not surprising, since each such map is a representation of merely one element in what is, in reality, a single, complex subsystem, the social structure of the region.

A regional focus is highly efficient for systematic control because it allows direct intervention by the individual in the widest possible extensions of his own operations and of the social system, and because distribution and communications are organized basically as an open regional subsystem with the positions of greatest control concentrated in the regional market centre. However, not all individuals have equal access to key positions in the regional system centre. For example, an agricultural-produce whole-saler can build up a regional domain based on contractual supply relationships with large numbers of peasants or traders in the region, from which he can extend his control at the regional level into other activities, such as wholesaling of consumer goods, light manufacturing or politics. The position of the farmer, in this exchange relationship, is, however, both more peripheral, in terms of allocation within the system, and less favourable - or "losing" -, in terms of bargaining power.

Because most of the economic, administrative and communication channels converge on the regional central place, the "nerve centre" of the subsystem, it is possible for the regional elite to control flows of goods and messages from the centre, extending their personal domains throughout the region. For example, a wholesale grain dealer in the regional market centre can build up a lucrative, widespread business based on many semi-contractual buying and credit relationships with farmers and smaller local middlemen. Similarly, a political leader will usually find the regional centre his most convenient base to use official power and patronage to consolidate control over and support from minor officials and local party leaders in settlement at levels in the regional hierarchy.

Indeed, a domain in one field of activity can serve as a source of power for extending one's control into other fields. Thus, a regional grain wholesaler has a good chance of success in regional politics, not only because of his cash wealth, but because of his regional network of personal control. His fleet of grain trucks, or those of his suppliers, can serve equally well to haul cement for a village school construction or voters to the polls. More important, he can mobilize considerable political support by activating the intricate web of reciprocal obligations, both among the elite and with his commercial and social clients through the region.

Since a subnational region is never a completely closed system, the social structure of any one region must be seen as a subsystem of national social structure in its spatial dimension. National spatial social structure is more than the sum of its regional parts; central places and their corresponding hinterlands are themselves grouped hierarchically, so that the major city of a country has all of the regional centres and all the national territory as its hinterland. In those developing countries where internal colonialism persists, the social groups concentrate in the national capital at the centre of the system, and exercising the greatest degree of control over production decisions, flows of goods and communications, may be referred to as a "national" power elite. Their control over production and output is exercised in concert with, and largely implemented by, the various regional elites, resulting in a social structure characterized by a hierarchy or vertical chain of domination and patron-client relationships. Such a spatial structure is not, of course, the result of conscious planning by any one person or group, but the consequence of the responses of large numbers of individuals and groups to constraints and opportunities, under the influence of the imperfect market mechanism.

The importance of the regional élites in the national social system, then, is that they perform the vital linking function of integrating individuals and specific social groups into a national system of production and distribution. Control of independent domains may give members of the regional élites a strong bargaining position in establishing reciprocal linkages with members of the national élite in commerce, industry and politics.

This linking function runs often apart from - or even against - the formal structure and rules of the state organization; which however does not mean that it does not exist either within the state-organization or between this and the environment.

The specific characteristics of the social structure differ, of course, from region to region and from country to country. Among the factors that would considerably change the picture presented here are the presence of large-scale peasant unions, an autonomous or directly responsible to the national Government, a high degree of popular participation in planning, capital-intensive commercial agriculture or national government control of production and distribution. Peasant organizations, for example, might diminish the control of a regional élite by establishing supportive relationships directly with agencies of the national Government. On the other hand, peasant leaders might themselves constitute an additional part of the regional élite, integrating themselves into the regional structure of vertical patron-client chains and horizontal alliances and competing factions.

But no matter what the particular characteristics of any given regional social structure may be, the principles of a spatial hierarchy of control over the productive system, of the relationship between the national centre and regional subsystem, and of the importance of the regional level of control, remain valid for all.

Regional social structures change over time, particularly since development always involves changes in social structure. On the one hand, technological modernization and economic growth bring about changes in the social and economic organization of space. The spread of paved roads with motor vehicle traffic transforms regional structure by "reducing" distances, often leading to the decline of less important central places and to the progressive integration of the region into the national economy and the consolidation of the control of the national élite. This is often accompanied by shifts in patron-client domains, with con

tinuous realignments of conflicting interests as growth and integration proceed.

This process, however, is not socio-economic development as defined above, since it typically implies the increasing concentration of income and decision-making power rather than greater popular participation and equitable income distribution. In such situation, the introduction of measures for the transformation of the social structure in conformity with these goals is a prerequisite of development in general on the national level and also as part of any programs of regional development.

The model of Portuguese regional social structure outlined in the preceding pages, and particularly the rôle of the regional élite, present a twofold problem. First, some regional élites may resist the loss of autonomy which modern productive activities, outside investment and more complex integration into the national economic system may imply. A more common problem, however, is the concentration of regional wealth. The growth of the regional economy, without social structural change, is likely to result in a greater share of regional income remaining in the hands of those groups occupying the key positions of control over the regional subsystem of production and distribution. Even in situations in which less powerful social groups receive increases in absolute income as a result of general economic growth, there is a tendency for the original pattern of accumulation of a disproportional share of wealth and control by a regional élite to intensify as regional growth proceeds.

Working through the Portuguese literature on dependency it is striking how relatively little analysis there still is of the mechanisms of internal dependency and the socio-political processes which underpin the dependent economies.

There is widespread agreement that more study is needed of where the surplus comes from, who gets it, what is done with it,

and the essential mechanisms of underdevelopment of the country. But, with some notable exceptions, there have been few descriptions of the patterns of domination, exploitation and control associated with theories of dependency. In the specific case of Portugal, which is to be considered in this thesis, there has been relatively little analysis of how since the last decades the capital accumulation process has been intrinsically linked to political aspects, and of how the political mechanisms directly support a narrow class-based development strategy.

In what they described as a preliminary analysis of clientelism and political development Lemarchand and Legg, it will be remembered, defined clientelism in wide terms as:

"a more or less personalised relationship between actors or sets of actors, commanding unequal wealth, status or influence, based on conditional loyalties, and involving mutually beneficial transactions." (10)

This relation between integration, coercion and consensus should at once be noted as central to the concept of political clientelism, being particularly important, since some political scientists, for definitional purposes at least, have explicitly excluded coercion from the concept of clientelism. So Powell in his perceptive article on "Peasant Society and Clientelistic Politics" (11) notes the heuristic value of the concept for understanding a wide range of political behaviour often regarded as pathological or deviant; mostly aspects of political "corruption", and of political structures such as cliques, factions, machines, patronage groups and "followings". (12) He then specifies three basic factors in the patron-client relationship, which, he claims, define and distinguish it from other power relationships between individuals or groups:

- (i) the tie develops between two parties unequal in status, wealth and influence, being, in Pitt-Rivers description, a "lopsided friendship". (13)
- (ii) it depends on reciprocity in the exchange of goods and services and,
- (iii) it relies heavily on face-to-face contact between the two parties the relationship being intimate and highly particularistic.

These three characteristics, Powell argues, remain whether the parties are individuals, kinship groups, informal or formal voluntary groups or even institutions. Then he emphasises strongly:

"It is important to note that patron-client ties clearly are different from other ties which might bind parties unequal in status and proximate in time and space, but which do not rest on the reciprocal exchange of mutually valued goods and services - such as relationships based on coercion, authority, manipulation and so forth. Such elements may be present in the patron-client pattern, but if they come to be dominant, the tie is no longer a patron-client relationship." (14)

Such an exclusive definition of political clientelism scarcely seems to fit with Powell's own subsequent analysis of the roles of "gatekeepers", brokers, "hinge groups" "mediators" or "buffers" as they have been variously described, linking the local clientage system to the national centre in a closely articulated centre-periphery relationship, manipulated from the centre. This again is a point to be developed later; but it is important to mention it at the start, since one of the main arguments of this approach is that coercion and manipulation are inseparable from the power relationship expressed in political clientelism. They also seem, in any case, clearly spelt out in Powell's own analysis, if not in his definition, as he shows how "the concept helps to illuminate the political behaviour of low-status actors, particularly peasants, as they are incorporated, recruited, mobilised, or induced into the national political process." (15) The client partner of the dyadic relationship, as he emphasizes, is at a strong disadvantage. Since the relation is private, informal and unwritten, there is no chance of appeal to outside arbitration or authority: the situation is one of private, personal accountability. (16) This is concomitant with a continuing power asymmetry between patron and client, the patron more often than the client being free to withdraw his favours and services. (17) This will be discussed more fully later, when examining the relation between clientelism and class control, but it should again be noted as one of the salient points in the subject.

The mention of social class again raises the other notable feature of definitions of clientelistic ties, that they are vertical chains cutting through horizontal class interest and ethnic groupings. So Lemarchand quotes M.G. Smith on the way in which

ch clientelism offers wider scope for integration in that it:

"incorporates such differentiating factors as ethnicity, occupational status, lineage, and rural-urban distinctions, and defines the boundaries of the political society... in functional terms." (18)

Lemarchand then glosses Smith to the effect that, while in the case of ethnicity perceptions of mutual interest are dependent on and limited by perceptions of cultural affinities:

"clientelism, on the other hand, extends these perceptions beyond the realm of primordial loyalties and establishes vertical links of reciprocity between ethnically or socially discrete entities..." (19)

These vertical polyclass linkages of political clientelism have, of course, been one of its most frequently noted characteristics, usually in discussions of corruption and the weakness of class mobilisation and interest group activity in the political process. So Huntington, to take one of the best known examples, discussing corruption and its relation to the weakness of party formation relates:

"Corruption is most prevalent in states which lack effective political parties, in societies where the interest of the individual, the family, the clique or the clan predominate. In a modernising polity the weaker and less accepted the political parties, the greater the likelihood of corruption,"

Corruption, it is argued, is fed by clientelism and prevents the emergence of class and interest demands, since in "machine politics or clientelistic politics in general corruption provides immediate, specific and concrete benefits to groups which might otherwise be thoroughly alienated from society." (20)

This again is a crucial point for understanding the mechanisms of class interest and the use which is made of clientelism by the State, especially in a country like Portugal with its strong corporative tradition, where labour and industrial leaders are government nominees according to a system which calls for the appointment of the president among the leaders of interest groups.

2. THE TRADITIONAL PATTERN OF PORTUGUESE DEVELOPMENT AND ITS SOCIAL CONSEQUENCES

2.1. RECENT EVOLUTION AND REAL SITUATION OF THE REGIONAL UNBALANCES IN THE TERRITORY

2.1.1. The deep analysis carried out within the 3rd Plan confirmed the fact that there are great regional disparities in the Portuguese territory which have become greater in the last decennium.⁽²¹⁾

In fact, taking as a synthesis indicator the per capita income (in contos per inhabitant), registered for 1953 and 1964 (Table I), we clearly notice the characteristic differences of the regional situation of the continent.

Next to the Lisbon district, which has a per capita income almost doubling the average of the country, comes the Setúbal district, which benefits of the industrial development of the municipalities around the capital. In the whole littoral area, only the districts of Porto and Aveiro exceed also the average per capita income, but nevertheless they remain much below the first two referred.

Generally speaking, the littoral districts, from Braga to Setúbal, and also Faro, are distinct from those of the interior part of the country, which are in the last positions; among these, only Castelo Branco, due to its industrial importance, and Portalegre and Évora, due to the structure of the agricultural sector, appear to be less ill-favoured.

Considering the problems of structural nature, which are most reflected in the per capita income evolution, and taking in account the Lisbon per capita income as a basis for comparison, we can see that, between 1953 & 1964, only two districts (Aveiro and Setúbal) showed a tendency for improving their position in relation to Lisbon. The referred disparities become more acute, and more clear, in the interior districts, even Castelo Branco and the whole Alentejo.

2.1.2. If we analyse the added value of the secondary sector (according to the figures of the industrial survey carried out in 1957-1959 and the estimates for the districtal income in the last decennium), we find great production disparities, either among districts, or within each district, and we face a concentration of the industrial development only in some municipalities.

TABLE 1

ESTIMATES OF THE PER CAPITA INCOME

Districts	Income per capita — * Contos		Comparison with the district of Lisbon	
	1953	1964	1953	1964
Viana do Castelo	3,6	5,2	0,33	0,29
Braga	4,3	6,9	0,40	0,38
Porto	6,8	11	0,63	0,61
Aveiro	5,4	10	0,50	0,55
Coimbra	4,8	7,6	0,44	0,42
Vila Real	3,9	5,2	0,36	0,29
Bragança	3,9	5,3	0,36	0,29
Viseu	3,7	5,4	0,34	0,30
Guarda	3,3	5,4	0,30	0,30
Castelo Branco	4,9	6,5	0,45	0,36
Leiria	5,2	7,9	0,48	0,44
Lisboa	10,9	18	1	1
Santarém	6,2	9,3	0,57	0,52
Setúbal	8,4	15,3	0,77	0,85
Portalegre	6,6	7,6	0,61	0,42
Évora	6,8	8,3	0,62	0,46
Beja	5,9	6,4	0,54	0,36
Faro	4,6	7,1	0,43	0,39
Country	6,2	9,9	0,57	0,55

* 1 "conto" = 1,000 escudos = \$36

Source: Trabalhos Preparatórios do III Plano de Fomento. Secretariado Técnico da Presidência do Conselho, 1967. Lisboa.

Besides Lisbon, Oporto, Aveiro, Setúbal and Braga, only the districts of Santarém, Leiria, Castelo Branco and Coimbra present some industrial relevance, all the others remaining in a somewhat unfavoured position.

In 1959, all the municipalities which have important industrial facilities, that is, which have a hundred or more employees and a production value over 5 per thousand of the respective total in the territory (Table 2), are located, with rare exceptions, in the littoral area from Viana do Castelo to Setúbal, and they are grouped more intensely around Lisbon and Oporto, some around Aveiro, being still to be distinguished those of Coimbra and Figueira da Foz, and, southwards, those of Leiria and Marinha Grande.

In the interior North, no municipality present facilities which can be classified as important according to the referred criterium. In the interior Beira, we can distinguish the municipality of Covilhã and the municipalities of Torres Novas, Tomar and Abrantes, grouped near the Tejo valley. In the interior and littoral South, in the whole Alentejo and Algarve, no municipality is outstanding.

Considering only the manufacturing and construction industries, excluding, of course, the activities directly connected with natural resources, which do not form per se development motor activities (extractive and electric energy production ones), we can see that the municipalities which can be considered industrialized are hierarchized as shown in Table 2, concerning the value added by those activities.

The municipalities of Lisbon and Oporto are outstanding with an added value over to 500.000 "contos". With values varying from 300.000 to 500.000 we find four municipalities around Lisbon (Oeiras, Loures, Vila Franca and Barreiro), two municipalities next to Oporto (Matosinhos and Vila Nova de Gaia), and, northwards, the municipalities of Guimarães and Vila Nova de Famalicão. Between 100.000 and 300.000 "contos" we can point out in the Lisbon area, three municipalities (including that of Setúbal), in the Center, the municipalities of Leiria and Marinha Grande, Coimbra and Figueira da Foz, and six municipalities in the Aveiro-Oporto region; in the North, Braga and Santo Tirso; in the interior part of the country, we can only distinguish Covilhã. With an added value between 20.000 and 100.000 appear every seat of a municipality, excluding Guarda, Bragança, and Vila Real, a group around Oporto and Guimarães, another in the district of Aveiro, a group si-

TABLE 2
MUNICIPALITIES WITH A PRODUCTION VALUE OVER 5 PER THOUSAND OF THE
TOTAL

Municipalities	Thousands of contos	%
Viana do Castelo :		
Viana do Castelo	163	8
Braga:		
Braga	112	5
Guimarães	445	21
Vila Nova de Famalicão	870	41
Porto:		
Matosinhos	830	39
Porto	1 450	68
Santo Tirso	511	24
Vila do Conde	152	7
Vila Nova de Gaia	432	20
Aveiro:		
Albergaria-a-Velha	124	6
Aveiro	455	21
Estarreja	302	14
Feira	134	6
Ílhavo	156	7
S. João da Madeira	132	6
Coimbra:		
Coimbra	186	9
Figueira da Foz	156	7
Leiria:		
Leiria	138	7
Marinha Grande	153	7

Source: Trabalhos Preparatórios do III Plano de Fomento. Secretariado Técnico da Presidência do Conselho, 1967. Lisboa.

Municipalities	Thousands of contos	%
Lisboa:		
Lisboa	6 358	300
Loures	836	39
Oeiras	605	29
Vila Franca de Xira	594	28
Santarém:		
Abrantes	147	7
Tomar	150	7
Torres Novas	99	5
Setúbal:		
Alcochete	120	6
Almada	366	17
Barreiro	1 375	65
Montijo	263	12
Seixal	173	8
Setúbal	464	22
Castelo Branco:		
Covilhã	424	20
Total	18 875	888
Country	21 168	1 000

Source: Trabalhos Preparatórios do III Plano de Fomento. Secretariado Técnico da Presidência do Conselho, 1967, Lisboa.

tuated between Viseu and Covilhã, another spot between Leiria and Abrantes, some municipalities around Lisbon and the Setúbal peninsula, extending through Montemor-o-Novo to Évora, and six municipalities in Algarve, besides Faro. And that is all.

Thus, these indicators confirm that the manufacturing industries of Portugal are mainly concentrated in two groups of municipalities centred in Lisbon and Oporto, near Aveiro and Coimbra, and also from Leiria to Abrantes, in the predominantly littoral Center. In the whole interior part and in the littoral South, Covilhã appears as a reality and Portimão remains as a doubt.

Through the provisory estimates on the internal secondary income by districts we notice unequal growth rhythms of this sector in each district, along the 1953-1964 period (Table 3). Only the Aveiro, Lisbon and Setúbal districts have a growing importance in the total secondary income (and average rates clearly over the global rate: 7,7%). Four districts (Braga, Leiria, Santa rém and Faro) maintain nearly their relative position. All the others, including Oporto, are backward in relation to the whole, as they have grown with rates under the average. This means that the districts with less important secondary activity and with lower per capita income did not reveal, in the recent past, any capacity to surpass the status of relative delay in which they remain.

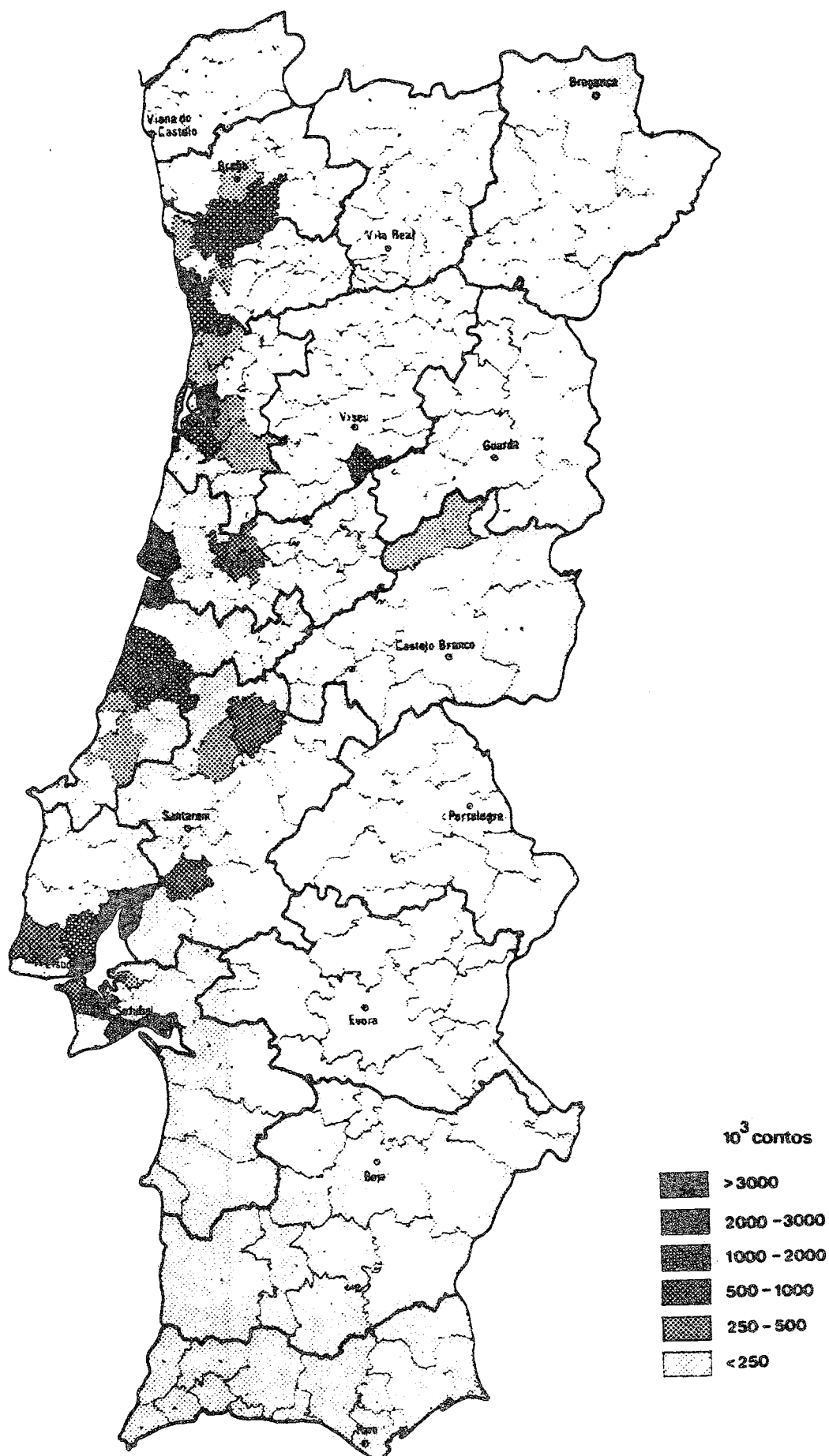
Considering only the manufacturing industries, only the districts of Aveiro and Lisbon show a growing percentage between 1953 and 1964 (from 8 to 11% and from 30 to 33%, respectively), and Setúbal keeps its position in the whole, while the percentage of Oporto (from 21,5 to 20%) and Braga decreased.

If we make a particular reference to the positions occupied by each district in the sectors of industrial activity in which they have national relevance, we can see that the district of Oporto and even that of Setúbal lost position in almost every sector. The progress registered in the case of Oporto relates only to traditional activities of the industrial development (food and drinking, wood and furniture). In the case of Setúbal, however, the metallurgical production is outstanding, and it has favoured the position assumed by the group of the metallurgy and metallic products, in that district, in 1964.

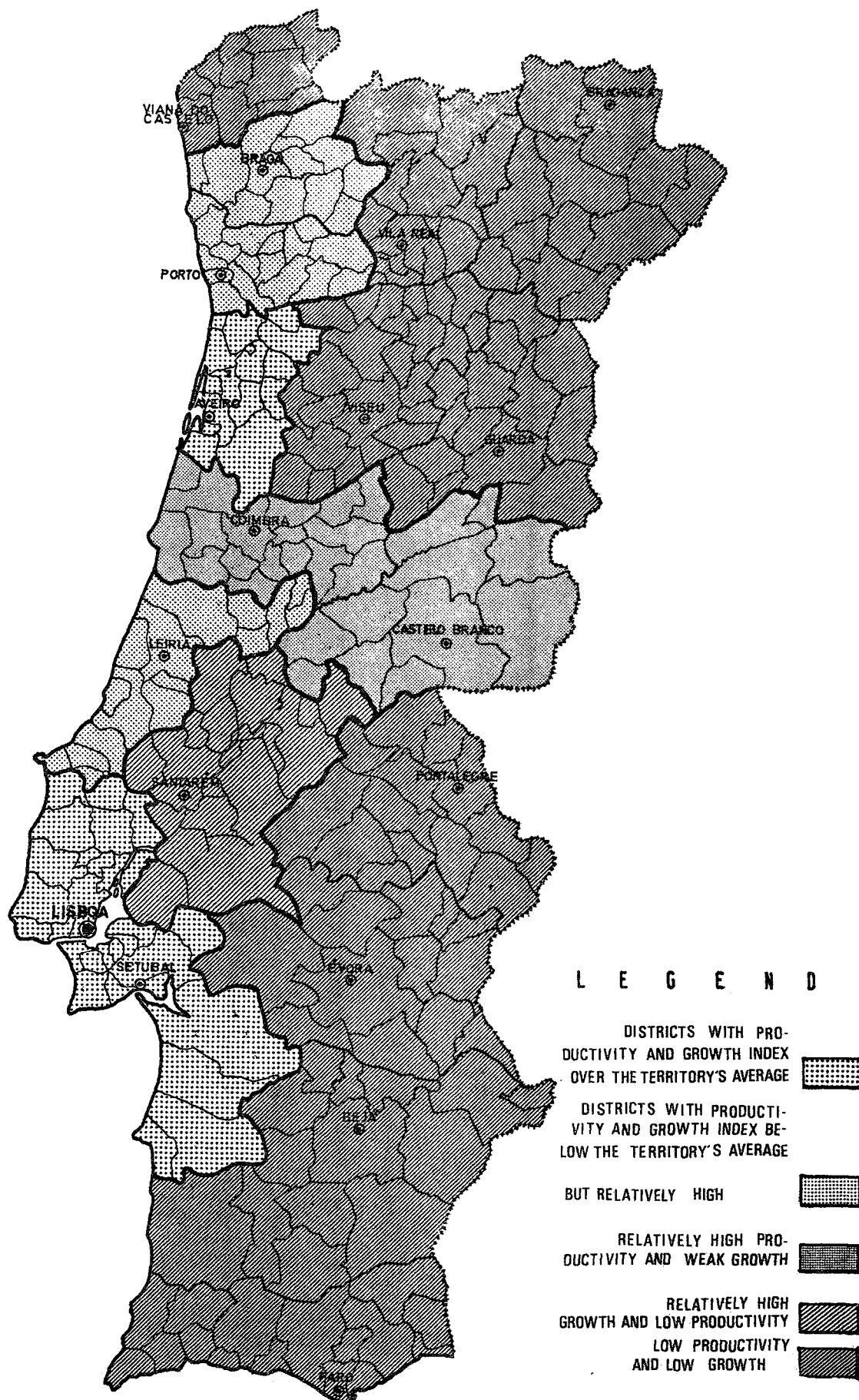
Unlike the former, Aveiro and specially Lisbon conquered more salient positions in several sectors, including those of major dynamic influence on development.

INTERNAL PRODUCT OF THE MANUFACTURING INDUSTRIES
1970

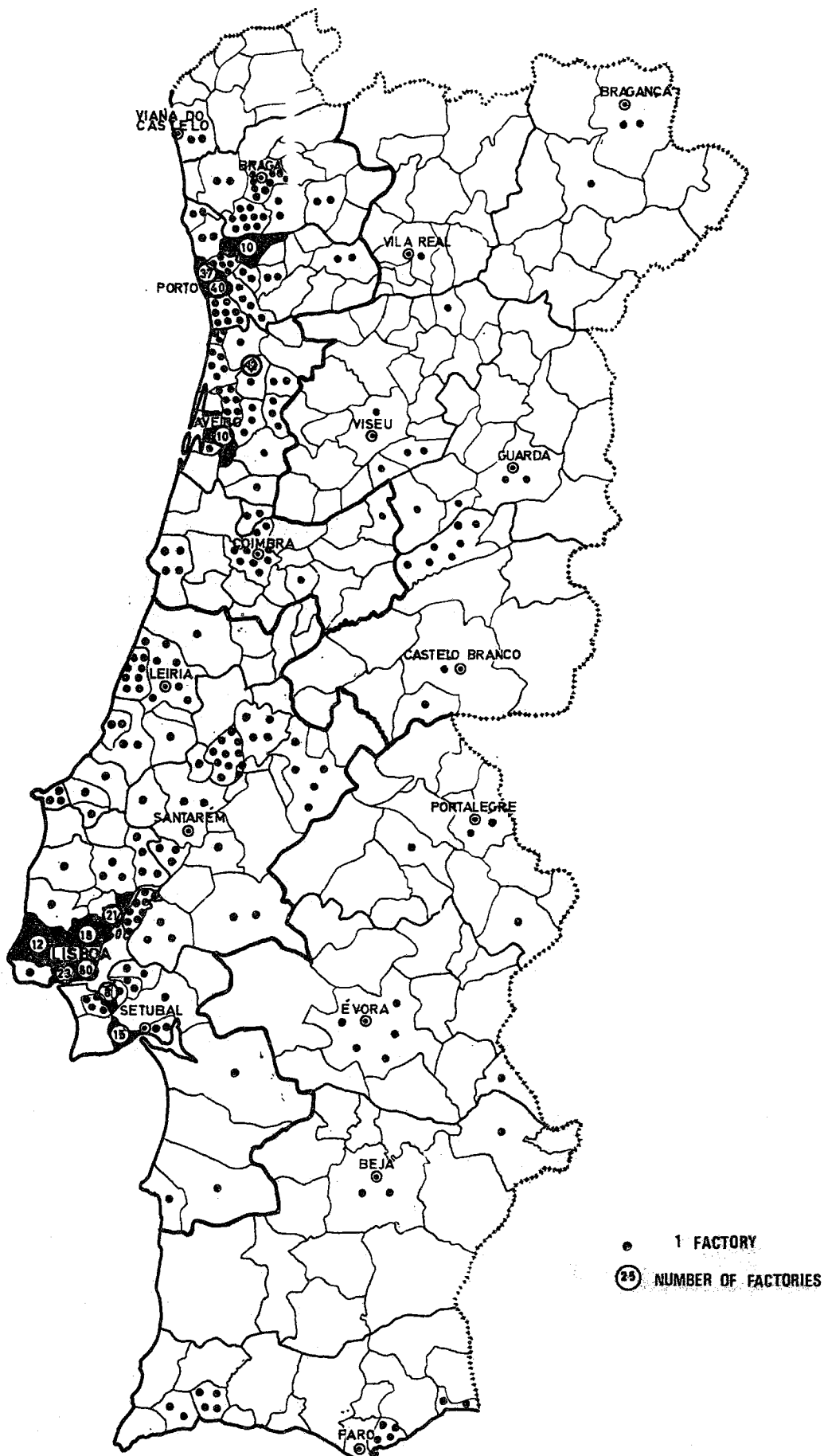
MAP 1



CLASSIFICATION OF THE DISTRICTS ACCORDING TO THE PRODUCTIVITY AND GROWTH OF THE MANUFACTURING INDUSTRIES



LOCALIZATION OF THE MOST IMPORTANT MANUFACTURING INDUSTRY FACTORIES (*)



(*) ACCORDING TO THE BOOK: "THE INDUSTRIALIZATION IN PORTUGAL" BY ENG. FERREIRA DO AMARAL

TABLE 3

ESTIMATE OF THE INDUSTRIAL INCOME BY DISTRICTS

Districts	Percentage			Annual growth rates
Viana do Castelo	1,4	1,3	1,1	5,4
Braga	6,5	6,5	6,5	7,3
Porto	20	20	18,8	7,2
Aveiro	8	9,4	10,1	9,7
Coimbra	3,2	3	2,9	6,4
Vila Real	1,2	0,9	0,7	2,5
Bragança	0,9	0,6	0,4	1,5
Viseu	2,1	1,5	1,6	5,3
Guarda	1	0,8	0,8	4,7
Castelo Branco	3,9	3	2,2	1,7
Leiria	4	3,7	4	7,7
Lisboa	29,8	32	32,7	8,5
Santarém	3,8	3,8	3,8	7,9
Setúbal	8,7	8,5	10,2	9,4
Portalegre	1	0,9	0,7	4,8
Évora	1,3	1	1	6,2
Beja	1,5	1,3	0,9	3,3
Faro	1,7	1,6	1,6	5,8
Country	100	100	100	7,7

Source: Trabalhos Preparatórios do III Plano de Fomento. Secretariado Técnico da Presidência do Conselho, 1967. Lisboa.

Now, considering both the degree of industrialization already obtained by each district and their growing dynamics, we come to the conclusion that only the following districts present production growing rates and per active productivity levels over the territory average (8,4% and 23 "contos"): Aveiro (11% and 25,3 "contos"), Setúbal (10,1% and 24,7 "contos") and Lisbon (9,4% and 36,7 "contos"). All the rest have either growing rates or levels under the referred average.

Among these, we notice that Leiria, Porto and Braga are in a less unfavourable position, and Santarém shows a clear tendency to follow them since it will be able to keep its recent growing. Coimbra and Castelo Branco follow the former, though they have values of an intermediate level. All the rest (exactly half of them), situated in the interior part of the country and in the South, besides Viana do Castelo, accumulate those two unfavourable aspects (Table 4).

The faster growing of the industrial activities is registered in the more industrialized areas, but a relative expansion of those activities is still to be found in some areas of the Middle, whereas there is stagnation in regions with no industrial importance, thus the industrialization appearing as a cumulative process, which is rendering more and more grave the existing differences, due not only to the concentration increase of the economic activities, but also due to the attraction of the main industrial regions on population.

This fact explains almost completely the situation revealed by the per capita income and its evolution in the studied period, showing clearly the correlation between the industrial growing and the global development in the different districts.

2.1.3. On the other hand, we must stress that the existence of more developed and dynamic industrial areas contributes to the unequal distribution of the population, giving rise to a population movement from the interior North and Center and the littoral South, and to an industrial concentration in some municipalities of the littoral area of Braga and Setúbal (Table 2).

Only the urban industrial areas of Lisbon and Oporto show a capacity to keep not only their physiological surplus total, but also the surplus of other areas. Some municipalities which can be considered to be about to industrialize, like Aveiro, Coimbra, Marinha-Grande, Setúbal and Faro, attained in the last

TABLE 4

RELATIVE POSITION OF THE DISTRICTS WITH GROWTH RATES AND PRODUCTIVITY LEVELS
(IN THE MANUFACTURING INDUSTRIES) UNDER THE COUNTRY'S AVERAGE

Indicators	Districts	Growth rates	Productivity levels per worker
Favourable growth rate and reasonable productivity level {	Leiria	7,6	20,3
	Porto	7,5	20,6
	Braga	7,4	17,9
Favourable growth rate and low productivity level..... {	Santarém	8	17,3
Low growth rate and reasonable productivity level	Coimbra	6,5	18,3
	Castelo Branco ...	3,8	20,3
Low growth rate and low productivity level	Beja	6,3	11,8
	Viseu	6	12,5
	Portalegre	5,5	14,8
	Viana do Castelo .	5,4	13,4
	Faro	5,3	12,3
	Guarda	4,8	10,5
	Vila Real	4,2	10,3
	Évora	3,6	14,7
	Bragança	3	6,7

Source: Trabalhos Preparatórios do III Plano de Fomento. Secretariado Técnico da Presidência do Conselho, 1967. Lisboa.

years a population almost equal to their natural increase. Others, which have already a certain industrial development, like Braga, Guimarães and Covilhã, but where the traditional industries dominate and where there are high population densities, did not succeed in keeping their physiological surplus totally, though their population did not decrease; we find the same situation in some municipalities which serve as seats of districts, which owe their global rise of population to their prevailing function in their zone of administrative influence.

This situation shows that not every important industrial centre formed a point of attraction for migrant population. That happened only with those which combine an industrial structure with major weight and a developed urban structure proportional to their population density, with those which are located in the suburbs of big towns.

In fact (Table 5), the standard of living in the districts of Lisbon and Oporto reach, on the whole, very significant values, followed by the districts of Setúbal and Aveiro, largely directly influenced by those which become big continental urban areas.

The analysis, by municipalities, of the minimal housing conditions of the family unit confirms, in an other way, that we find higher percentages of family unities which benefit from these conditions in the municipalities of the urban areas of Lisbon and Oporto, and in the municipalities located in more developed industrial and urban regions (mainly Aveiro, Coimbra and Setúbal). Besides these, only some tourism areas could be pointed out.

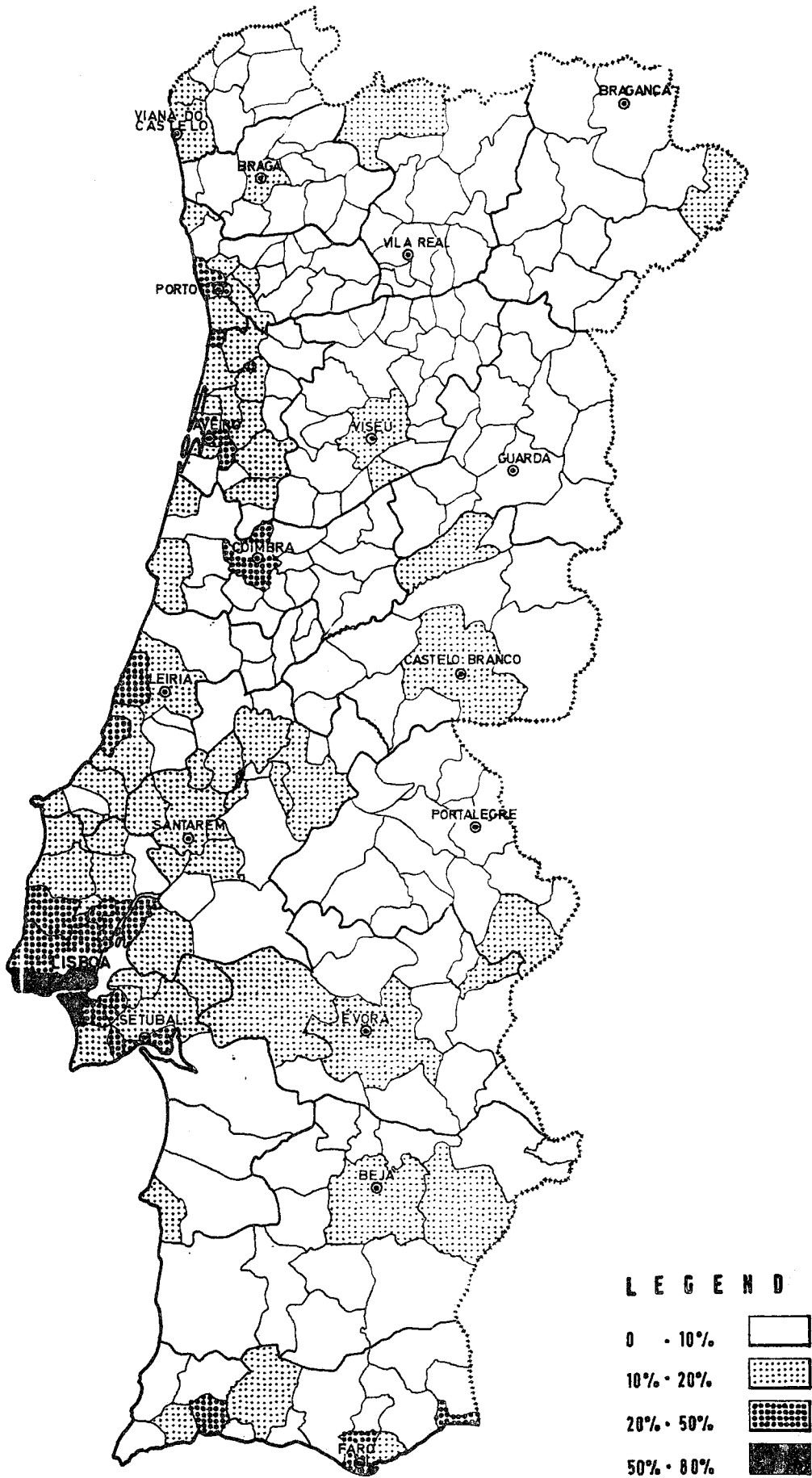
We also see that the analysis of the evolution of the indicators which were presented between 1950-1964, shows that registered trends stress the differences between districts, thus contributing for the aggravation of the regional unbalances of the standard of living.

So, the correlation between the migratory movements and the standard of living of the urban industrial areas is clear and it can be said that, even in the industrialized littoral area, there are strong asymmetries in the standard of living, with direct reflex in the intensity of the attraction exercised over the populations.

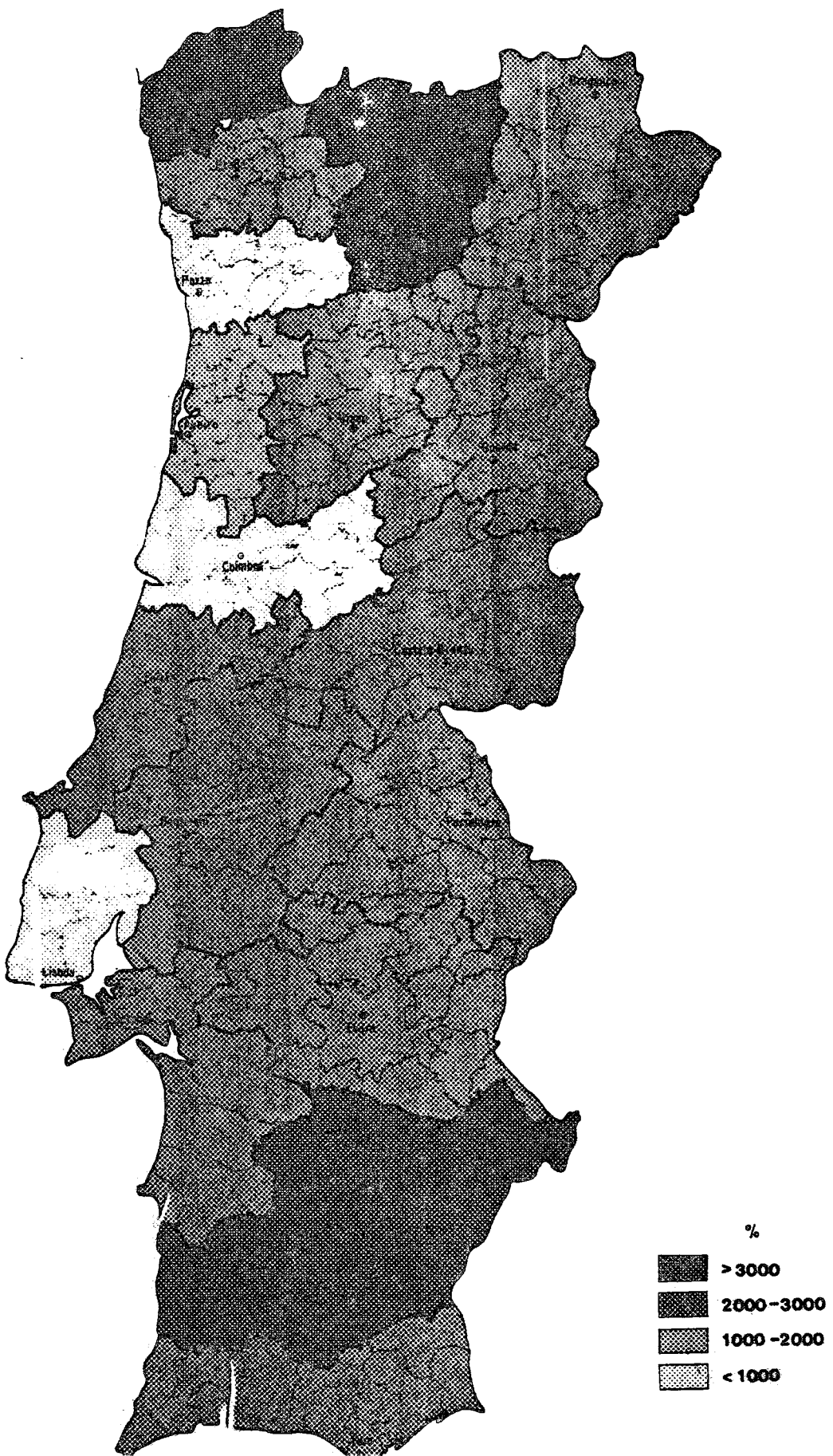
HOUSING CONDITIONS

(FAMILY DWELLINGS WITH KITCHEN AND LAVATORY)

(1960)

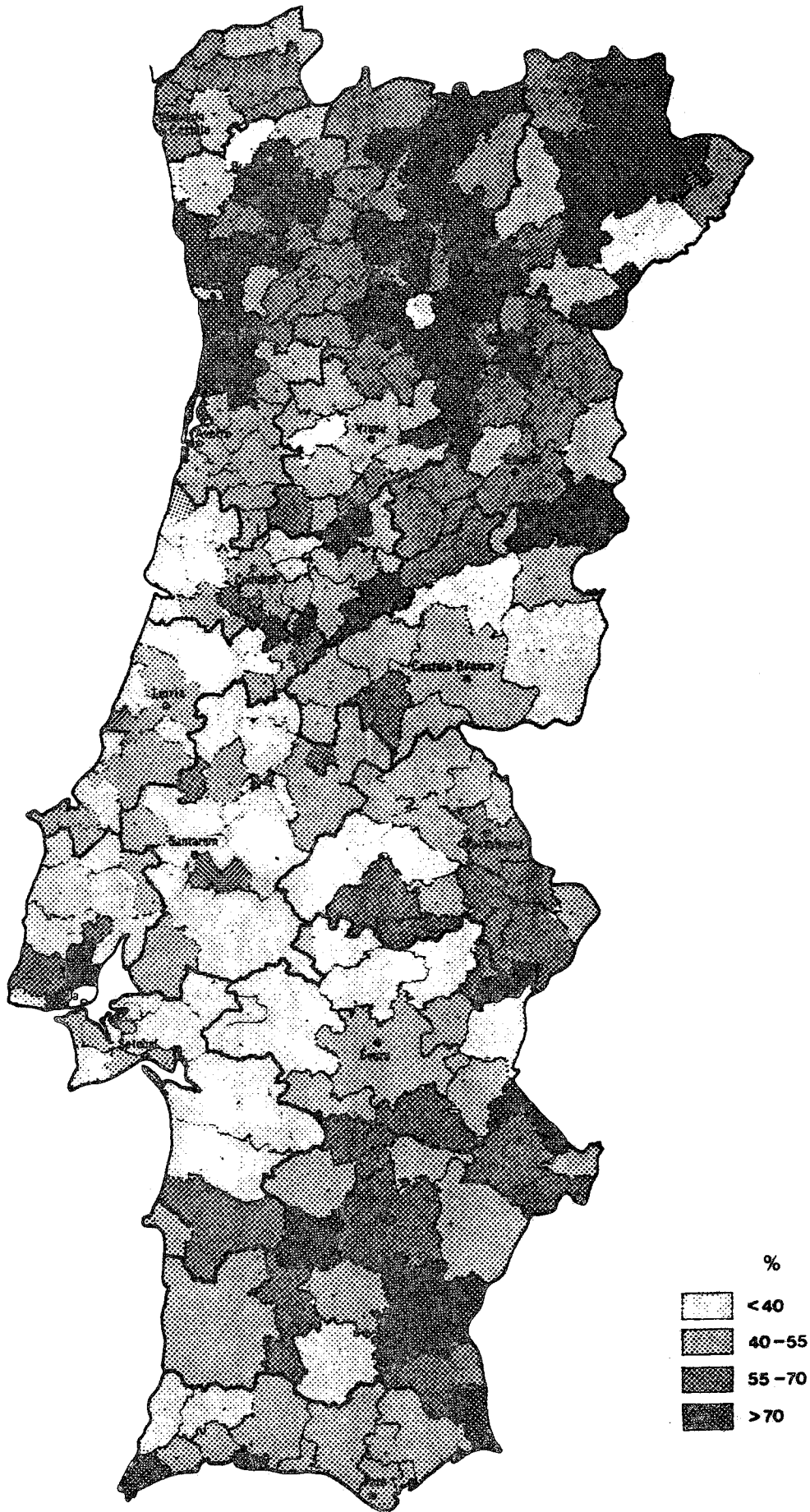


NUMBER OF INHABITANTS BY DOCTOR
DISTRICTS-1970



INFANTILE MORTALITY INDEX
AVERAGE OF YEARS 1969-1970-1971

MAP 6



DELIVERY WITHOUT MEDICAL ASSISTANCE
1971

MAP 7

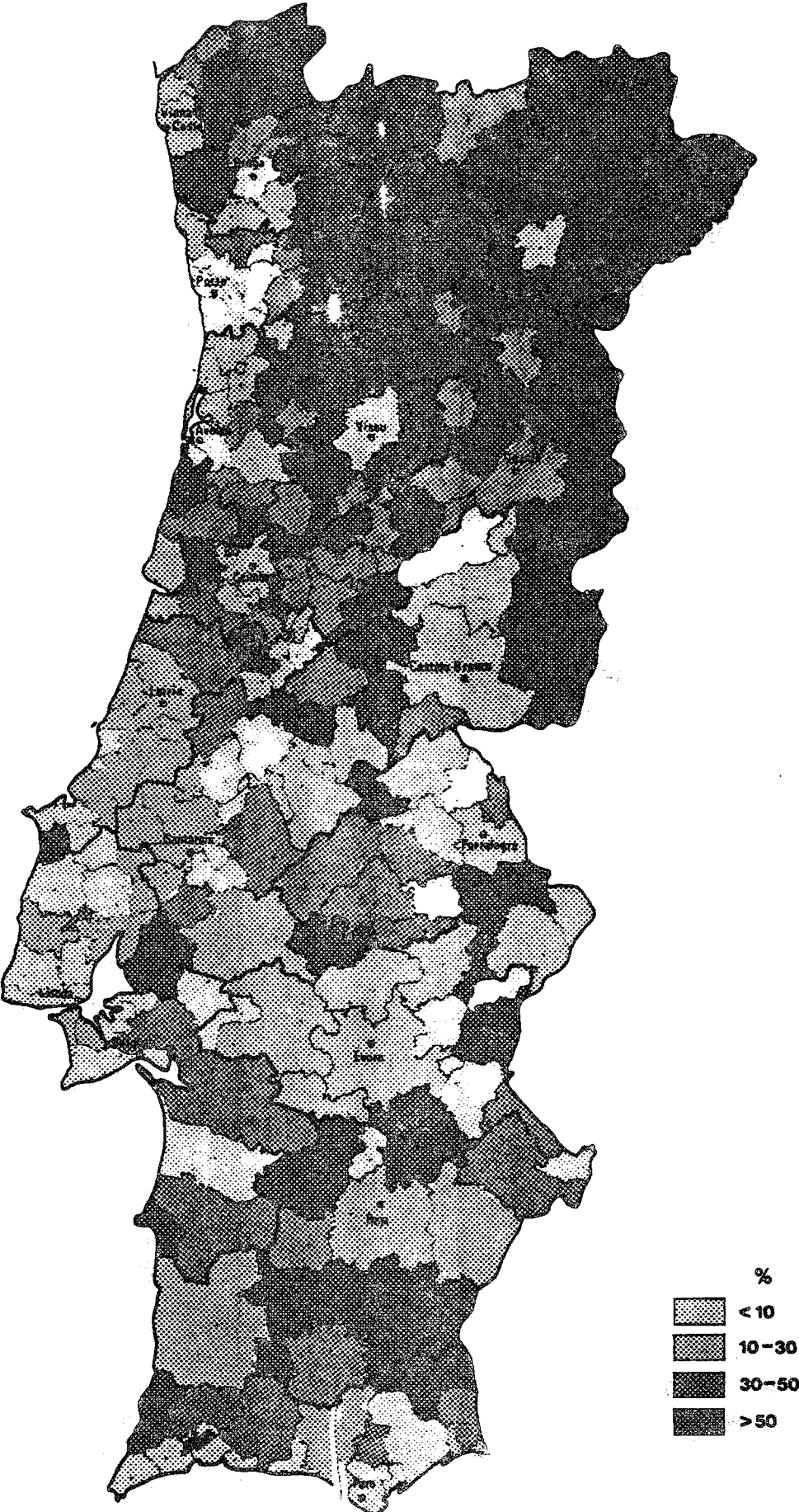


TABLE 5

WELFARE INDICATORS

Districts	Housing conditions (1960)			Doctors per 10 000 inha bitants (1964)	Automobiles per 1 000 inhabitants (1964)
	Percentages				
	With tapped water	With sanita ry drainage	With kitchen and W.C.		
Industrialized coastland:					
Braga	14,1	34,9	60,2	3,9	11,2
Porto	36,5	63,8	77,3	11,9	26,2
Aveiro	17,9	42,8	60,4	5,5	19,5
Coimbra	16,3	20,5	22	14,8	17,1
Leiria	13,3	20,6	21,7	3,3	15,7
Lisboa	71,7	76,5	74,5	19,6	68,7
Setúbal	48,8	53,7	43,9	3,9	23,3
Interior and other districts:					
Viana do Castelo ...	10	20,6	40	3,2	10,6
Vila Real	9,4	11,5	15,2	3,2	9
Bragança	11,3	8,8	8,7	4,2	8,4
Viseu	8,3	12,7	22,1	3,6	11,5
Guarda	10,7	8,7	8,8	3,8	10,8
Castelo Branco	14,2	15,3	14,5	3,4	13,8
Santarém	19,1	22,6	21,3	4,4	19,4
Portalegre	25,2	30,9	16,3	5,2	15,5
Évora	26,4	26,5	18,7	4,8	16,6
Beja	15,5	15,4	10,7	3,7	11,6
Faro	23,4	27,3	23,7	3,5	14,9
Country	28,7	38,3	41,2	8,3	32,1

Source: Trabalhos Preparatórios do III Plano de Fomento. Secretariado Técnico da Presidência do Conselho, 1967. Lisboa.

We conclude that the regional unbalances, concerning the standard of living of the population, are of the same sense and even stress the inequalities expressed through the economic levels of the production. Besides, the evolution of the situation can be described in terms of an aggravation of the existing differentiations, some districts progressing much more rapidly than others in several aspects.

So, we see that the internal migratory movements are strongly polarized by the more dynamic centres and by those which offer better conditions for the satisfaction of the aspirations of an increasing standard of living, thus risking not only the demographic balance of certain areas (together with emigration), but also creating some additional bottlenecks and difficulties for the "aménagement" (ordenamento) of the present points of attraction.

2.1.4. The agricultural activity itself is influenced by the location of the more developed urban-industrial areas. In fact, if we analyse the percentage of the active population engaged in agriculture, and forestry (Table 9), we immediately recognize that percentages of agricultural population under 50 are only to be found in the industrial municipalities and in their suburbs. In the rest of the country more than one half of the active population is working in agriculture or depends indirectly, on that activity, as it is the case for the rural population employed, for instance, crafts and complementary jobs, and for that reason their weight becomes heavier on the economy of those regions.

The active agricultural population is under 25 percent only in two municipalities of the littoral South, in Setúbal, in Lisbon nucleus, in Marinha Grande, Coimbra, Ílhavo, in a certain area around Oporto, and from Braga to Ovar.

With a percentage between 25 and 50 percent, we find four other municipalities of the littoral South, some municipalities in the Setúbal peninsula, Sines, Évora and Portalegre, the triangle Santarém-Tomar-Abrantes, Peniche, Nazaré, Leiria, Figueira da Foz, Aveiro, Viana do Castelo, some municipalities around Oporto, Aveiro and Coimbra, Castelo Branco and Covilhã, with two adjacent municipalities, corresponding almost exactly to the location of the main industrial nucleus, specially if we leave the municipalities where fishing is the dominant activity out.

The productive surface-active agricultural population ratio also shows that there is an outstanding contrast between the districts of the northern and centre Littoral (precisely tho-

se with regard to major urban density and industrial activity) and the districts of the Interior and of South.

Though the differences are the reflex of a set of factors, in which the ecological conditions and the demographic pressure are prominent, the presence of low values on that indicator brings evidence to situations which can only persist in regions where the environmental conditions constitute an incentive to agricultural intensification.

Taking as a comparison term the average of the country (6,3 ha per active agriculturist), we see that the districts with values under this average, which assume the existence of a certain degree of intensification in agriculture, are those of Oporto (2,2), Braga (2,8), Viana do Castelo (3), Lisbon (3,1), Aveiro (3,7), Coimbra (4,2), Vila Real (4,2), Leiria (4,3) and Viseu (4,3).

The districts with values over the referred average value, which show, therefore, a predominance of the extensive processes in culture, are those of Évora (13,2), Beja (12,8), Portalegre (11,3), Bragança (11), Setúbal (10,5), Castelo Branco (10,3), Guarda (8,6) and Faro (7,4).

The analysis of the composition of the agricultural product reflects, in its way, these contrasts, showing an picture of intensification and mixed farming in the whole Northwest and in large parte of the littoral Center. In the interior districts, the outstanding note is given by an extensive agriculture, frequently of monoculture character.

Through other indicators - agrarian structure, mechanization level, soil fertility.- the contrasts mentioned above are confirmed. Thus, for instance, the districts of the Center and Northern Littoral show a relative degree of homogeneity since they present the highest values of soils productivity (Tables 6 and Table 5).

Continuing with this aspect, the values concerning the districts of Oporto and Lisbon, demonstrative of a major rentability, evidence, among others, the effect of the influence of more developed urban and industrial structures.

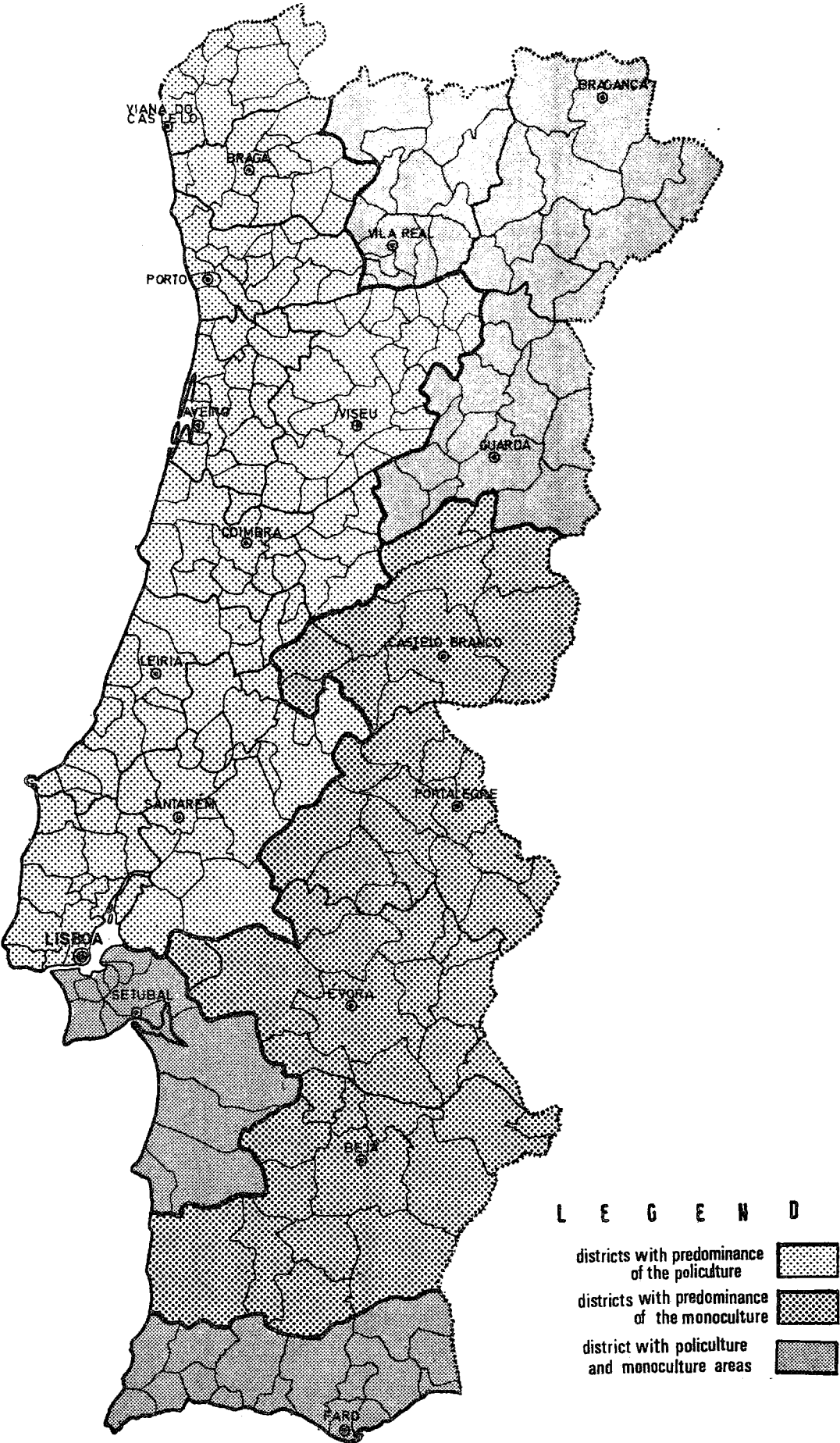
The same effect gains evidence with the indicator which shows the mechanization level (Table 6).

TABLE 6

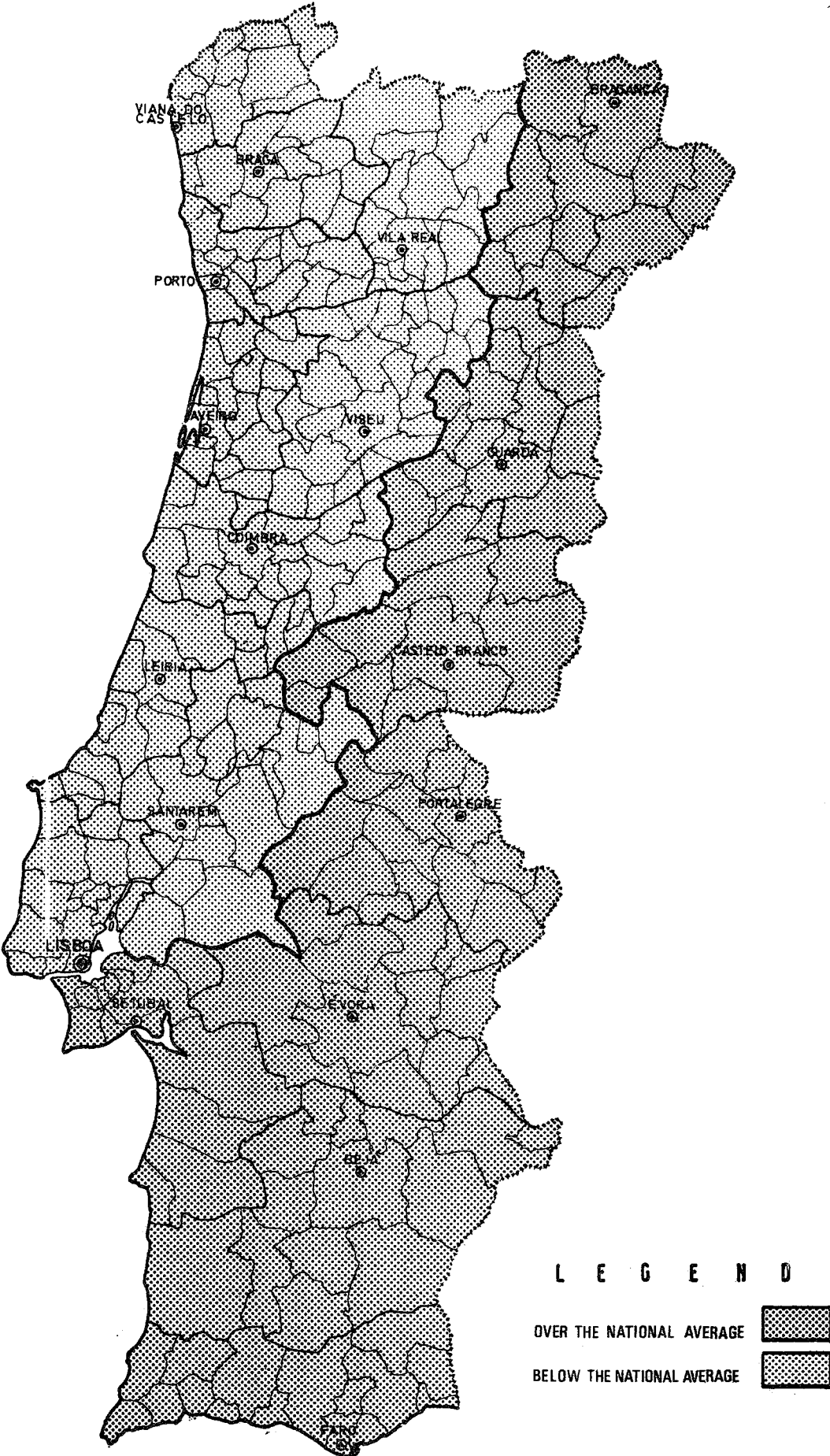
Districts	Productive area per agri- cultural wor- ker (1960)	Size of the farms (in percentage of the total area)			Concentration degree of the farms - index	Mechanization degree (num- ber of trac- tors/10 000 unh) 1964	Agricultural income/produc- tive area 1956-1958 1 conto/ha
		Smalland Very small	Medium	Big and very big			
Viana do Castelo	3	87	13	-	0,46	7	2,6
Braga	2,8	42	55	3	0,56	9	3,1
Porto	2,2	33	63	4	0,63	21	4,6
Aveiro	3,7	54	44	2	0,52	9	3
Coimbra	4,2	72	24	4	0,54	9	2
Leiria	4,3	85	12	3	0,50	16	2,6
Lisboa	3,1	57	13	30	0,70	83	3,6
Vila Real	4,2	76	22	2	0,62	3	1,9
Bragança	11	50	42	8	0,54	10	1
Viseu	4,3	92	8	-	0,49	2	2
Guarda	8,6	81	18	1	0,64	6	1,1
Santarém	6	43	21	36	0,78	34	2,2
Setúbal	10,5	14	26	60	0,86	28	1,5
Castelo Branco	10,3	27	33	40	0,83	8	0,9
Portalegre	11,3	10	21	69	0,91	20	1,5
Évora	13,2	6	18	76	0,88	26	1,3
Beja	12,8	15	34	51	0,82	22	1
Faro	7,4	39	52	9	0,65	13	1,6
Country	6,3	33	28	39	0,66	20	1,7

Source: Trabalhos Preparatórios do III Plano de Fomento. Secretariado Técnico da Presidência do Conselho, 1967. Lisboa.

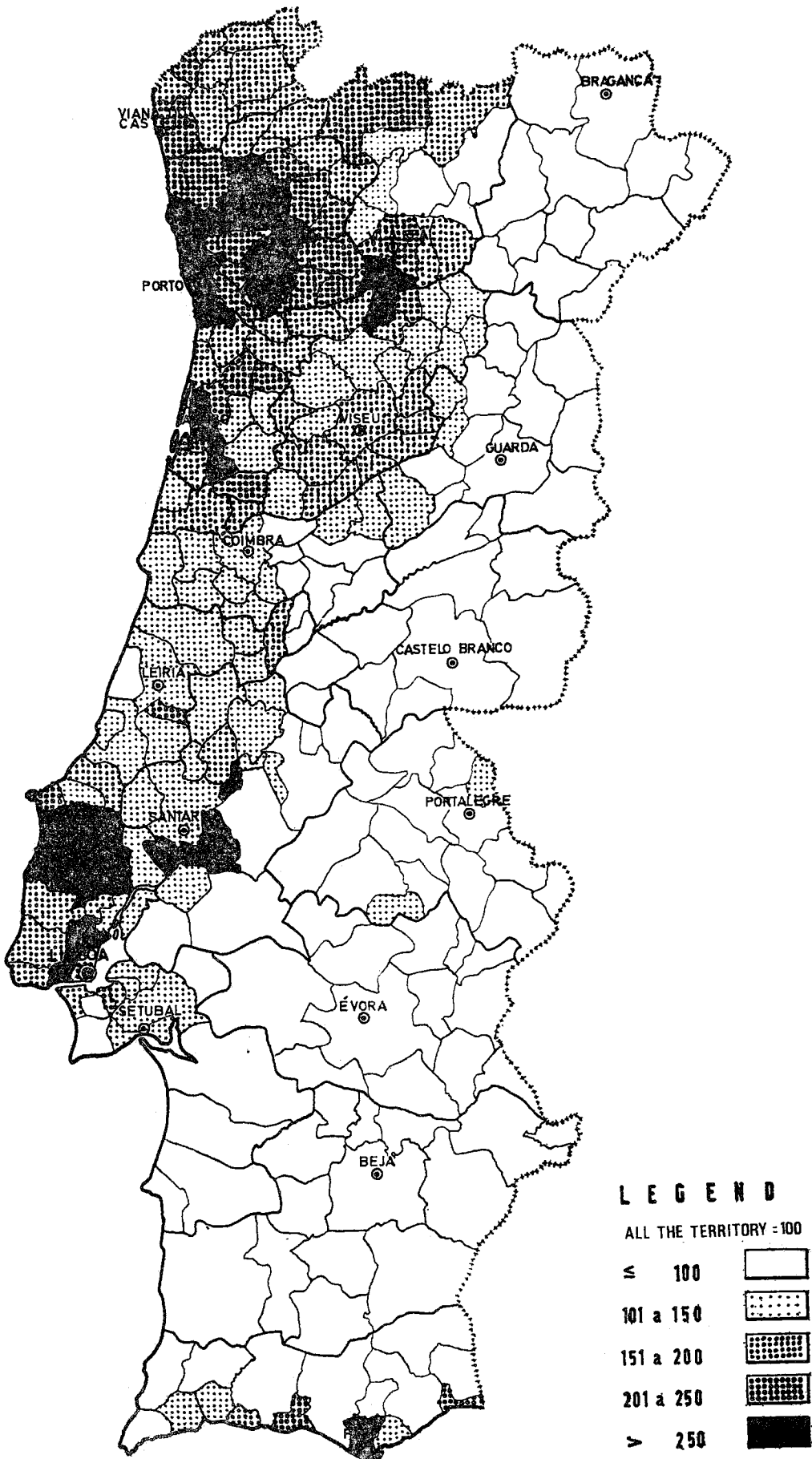
POLICULTURE AND MONOCULTURE AREAS



PRODUCTIVE AREA BY AGRICULTURAL WORKER



PRODUCTIVITY INDEX OF THE AGRICULTURAL AREA



In fact, the district of Lisbon is outstanding in the South agrarian context, while that of Oporto presents a certain salience in the North, thus existing a close correlation with the relatively low percentages of active agricultural population in these districts.

The incentive on agricultural activity by the most developed urban and industrial structures materializes through several requirements - market, work incentive, productivity, mobility, technical progress - which account for agricultural specializations of high specific value (fruit growing, milk, etc.) and motivate the consequent interest of the farmer.

We must stress, however, that these effects are not always entirely reflected in the boundary areas or in those under immediate influence of the main poles, due to the ecological conditions. The indicators do not show therefore clearly the total dimension of that incentive, which often finds a reply in more remote agricultural areas.

Thus, the influence of Lisbon as a consumer center exceed the administrative limits of the district, extending through the Tejo valley and the peninsula of Setúbal, but still with effects in more distant areas, as it is, for example, the littoral of Algarve.

The evolution in the several districts during the 1953-1964 period, analyzed through the values of the average annual growing rate of the agricultural income, allows also to point out the existence of some regional situations with^a depressing tendency, even in respect to the moderate rhythms in which the sector has been growing.

In fact, the observation of the referred growing rates (Table 7) shows concretely the persistence of negative rates for the districts of Portalegre, Évora and Beja (which have more incidence of dry farming crops) in any of the considered periods - 1953/1964 and 1958/1964.

Though the rates found in those periods are not to be directly compared, since the first one includes the second one, it is quite significant the fact that there is a decreasing tendency in the values of the agricultural income proceeding from the districts with more predominance of extensive monoculture, and that

TABLE 7

DEVELOPMENT OF THE AGRICULTURAL INCOME
ACCORDING TO THE PRICES IN 1963

Districts	Accumulated annual index in the period	
	1953/54 - 1963/64	1958/59 - 1963/64
	Percentages	Percentages
Viana do Castelo	0,2	3,2
Braga	1,4	2,7
Porto	2	3,4
Aveiro	1,6	2,7
Coimbra	0,8	2
Leiria	0,4	1,1
Lisboa	0,1	2,4
Setúbal	1,3	3,4
Vila Real	4	5,9
Bragança	1,2	2,3
Viseu	2,5	2,7
Guarda	2,5	4
Castelo Branco	1,3	1,7
Santarém	- 1,1	0,2
Portalegre	- 1,9	- 1,9
Évora	- 1,2	- 1,8
Beja	- 2	- 2,4
Faro	0,3	4
Country	0,6	1,9

Source: Trabalhos Preparatórios do III Plano de Fomento. Secretariado Técnico
da Presidência do Conselho, 1967. Lisboa.

the referred decrease has been constant in the last five years which were studied, during which a certain recovery in the growing rates of the agricultural income was noticed in the other districts.

For this regression of the agricultural income of Alentejo during the analyzed period, contributed not only unfavourable circumstances of conjunctural nature, but also, in a strong way, climatic conditions, adverse to the cereal culture, which have increased particularly in the last years of the period in question.

These reflexes were still amplified by the unbalances existing in the agrarian "aménagement" (ordenamento) and by a weak accumulation of capital within the units of production themselves, circumstances which have reduced the possibility of the amplitude of the unfavourable effects of the climate to be reduced in this sector.

Shortly, the country presents strong agrarian differentiation, with an accentuated climatic influence, which was translated in sensible contrasts from the littoral to the interior and from North to South, either in the methods of soil occupation and utilization, or in the productive structure. So, in the center and northern littoral, the agricultural activity appears, normally, under an intensive and diversified nature, disposing of more productive soils. In the interior part and southern regions monoculture and extensive methods are prevailing, thus the cereal culture and some unbalances in the agrarian "ordenamento" being very frequent.

Generally speaking, Northern Portugal shows a strong predominance of small family farms, often minutely sub-divided. Production is diversified (maize, potatoes, vines, etc.), and the resources of the soil are fairly intensively exploited. Yet the available labour is under-employed; labour productivity and per capita income are low. The province of Trás-os-Montes, in the North East, includes some hilly or even mountainous areas, where forestry and sheep-farming predominate. The North of the country also comprises the rich Douro Valley, where port wine is produced.

In Central Portugal, between the Douro and the Tagus, lie the provinces of Beira and Estremadura, where the valleys level themselves to intensive cultivation of vines, potatoes, cereals, etc., while the less fertile land in the interior is mainly used for cereal-growing. The Tagus valley itself is given over to the intensive cultivation of various crops (including vines).

South of the Tagus lie the lowland regions of the interior, first and foremost the extensive Alentejo plain where arable crops predominate, especially cereals. A high proportion of the land belongs to large estates, worked by a paid labour force. Except in the irrigated areas, extensive cultivation systems are generally practised. However, the large estates exist side by side with small family farms, which although numerous take up only a comparatively small proportion of the land. The coastal area shows some differences from the interior, as the natural conditions allow greater diversity of farming; in addition, the proximity of Lisbon and other large towns means that markets are available and non-agricultural employment is to be found. The Southern coastal area of Algarve has some special features: its climate is suitable for fruit and vegetable growing, and the tourist appeal of this region provides a market ready to hand; exports of early produce are also a profitable line of business.

One must notice that the striking contrast between the tiny farms in the North and the large estates in the Centre and South of the county originated in the wars against the Arabs. The Moorish occupation of Southern Portugal drove the population towards the North, where the mountains offered some natural protection. Subsequently, to encourage the reconquest of the South, the King awarded land in this area to his nobles as a reward. More detailed regional features are given in the following paragraphs.

a) Relative Importance of Agriculture

Table 8 gives figures (unfortunately rather old) for agricultural contribution to the gross domestic product. The percentage of the total gross product represented by agriculture, forestry and fishing, is relatively small in the Lisbon, Porto, Setúbal, Aveiro and Coimbra districts, each of which contains or is close to a large town (see map), and is near the coast. In most other areas, agriculture contributes at least 50 per cent of the GDP: this applies both to the Northern districts, e.g. Vila Real, Viseu and Bragança, and to the Alentejo districts (Portalegre), Évora, Beja), as well as Santarém.

The breakdown of the active population between agriculture and other sectors in 1960 reflects roughly the same situation.

Figures for the gross agricultural product by districts are available for 1963-64. The North and Centre of Portugal contribute 26 and 32 per cent respectively of the total GAP, with 28 and 36 per cent of the active agricultural population (1960 figu-

res). Their contribution to marketed agricultural production is probably much smaller, as consumption on the farm must be significant in the small family farms which predominate in these parts of the country.

If the figures for gross agricultural product in 1963-64 are compared with those of the working population in 1960, it is seen that the GAP for a worker is appreciably lower in the Northern and Central areas (specially in the interior zones) than in other regions.⁽²²⁾

b) Density of the agricultural population and farm structures

Table 9 shows that in most Northern and several Central districts, there is an average of only 2 ha. of farmland per member of the agricultural labour force (Bragança, in the extreme North-East, forms an exception but the soil is poor). The corresponding figure in the Beja district is over 9 ha., and it is seldom less than 5 ha. in any part of the South.⁽²³⁾

The differences in the density of the agricultural population also is related to the size of farms, as shown in table 9 (unfortunately, no figures later than 1954 are available). In each of the four main regions, farms of less than 5 ha. are in the majority; such small farms are, however, far more common in the North the Centre and the Lisbon district than in the South (the inclusion in the Southern region of the Faro district, which, unlike the Alentejo districts, has a fair number of small farms, makes the contrast less striking). Yet in Lisbon district, farms of over 50 ha., few as they are, take up more than half the total farmland. This phenomenon is still more striking in the South, where farms of over 200 ha. take up 51 per cent of the total area, although they represent only 2 per cent of the total number of farms.

It can be seen from table 11 that the sub-division of holdings further accentuate the disparities. The highest percentage of farms with more than six plots is, indeed, to be found in the North and Centre, which have the largest number of small farms; the percentage is relatively low in the Alentejo districts.

Table 8 Breakdown of the Gross Agriculture Product and the Active Agricultural Population, by regions a)

	GAP ^{b)} ('000 contos)	GAP as a % of the GDP ^{c)}	GAP as a % of total GAP ^{b)}	Active Agricultural Pop- ulation ('000)	Active Agricultural po- pulation as a % of to- tal active population	Active Agricultural po- pulation as a % of total active agricultural po- pulation	GAP per capita ('000 escudos)
<u>North</u>	4,398	24,3	26,1	367	38,4	28,3	12,0
Viana do Castelo	485	48,3	2,9	60	60,2	4,6	8,1
Braga	885	21,5	5,3	86	40,9	6,6	10,3
Porto	1,337	13,5	7,9	73	16,3	5,6	18,3
Vila Real	966	57,2	5,7	87	75,1	6,7	11,1
Bragança	725	72,5	4,3	62	75,0	4,8	11,7
<u>Centre</u>	5,491	42,2	32,5	469	54,4	36,2	11,7
Aveiro	956	32,6	5,7	65	35,1	5,0	14,7
Coimbra	880	38,7	5,2	77	50,4	6,0	11,4
Leiria	999	39,6	5,9	80	54,5	5,2	12,5
Viseu	1,212	60,2	7,2	117	69,7	9,0	10,4
Guarda	730	56,5	4,3	65	68,1	5,0	11,2
Castelo Branco	714	38,6	4,2	65	57,2	5,0	11,0
<u>Lisbon Region</u>	3,737	14,7	22,2	218	23,9	16,8	17,1
Lisbon	1,460	6,8	8,7	77	13,2	6,0	19,0
Setúbal	865	25,6	5,1	46	30,0	3,5	18,8
Santarém	1,412	50,6	8,4	95	55,2	7,3	14,9
<u>South</u>	3,246	62,7	19,2	243	61,2	18,7	13,4
Portalegre	745	63,5	4,4	49	65,2	3,8	15,2
Évora	863	67,6	5,1	53	60,8	4,1	16,3
Beja	964	72,5	5,7	77	70,6	5,9	12,5
Faro	674	49,3	4,0	63	50,1	4,9	10,7
Total	16,872	28,1	100,0	1,297	41,5	100,0	13,0

a) Including forestry

b) In 1963-64 (data supplied by the Secretariado Técnico de Pre-
sidência do Conselho).

c) Estimates for 1957 in "Níveis de Desenvolvimento Agrícola no Con-
tinento Português" by Castro Caldas and Santos Loureiro. Centro
de Estudos de Economia Agrária. Fundação Calouste Gulbenkian. 1963.

INDEX OF THE AGRICULTURAL PRODUCT PER CAPITA

(ACCORDING TO A PROPORTIONAL DISTRIBUTION OF THE AGRICULTURAL WORKING POPULATION WITH THE AREA OF EACH MUNICIPALITY) — 1960

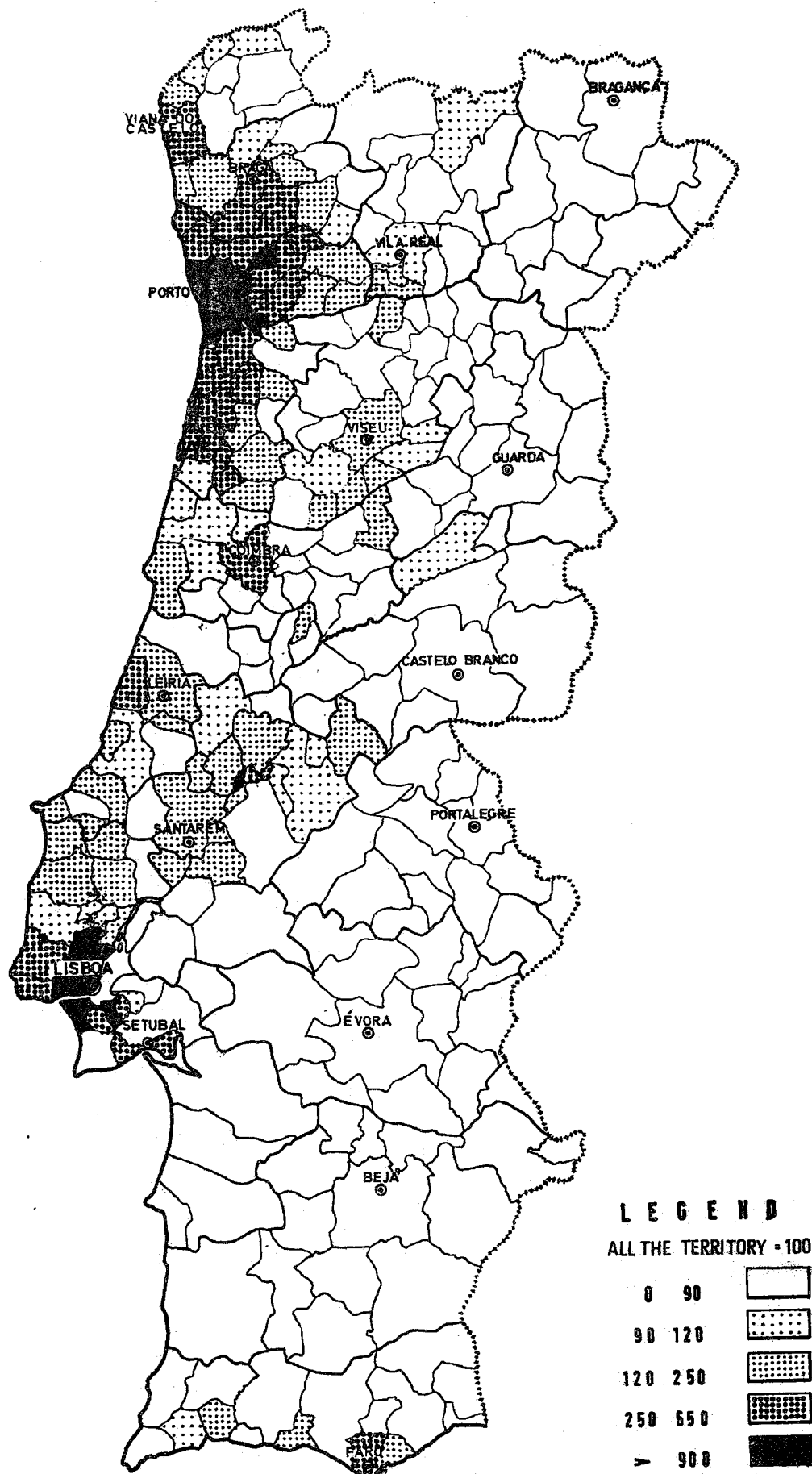


Table 9 Area of Farmland, Active Agricultural Population, and number and Average Size of Farms, by Districts

	Total agricultural area in 1951-1956 ('000 ha.)	Active agricultural population in 1960 ('000)	Agricultural area per head of active agricultural population ha	Number of farms in 1952-1954	Agricultural area per farm ha.
North	887,0	357,3	2,4	245,1	3,6
Viana do Castelo	63,0	60,1	1,1	46,0	1,4
Braga	99,5	85,5	1,2	55,8	1,8
Porto	93,2	73,2	1,3	58,8	1,6
Vila Real	162,8	86,5	1,9	47,3	3,4
Bragança	468,5	62,0	7,6	37,2	12,6
Centre	1.305,1	468,8	2,8	394,4	3,3
Aveiro	94,7	65,0	1,5	62,1	1,5
Coimbra	145,9	77,3	1,9	75,7	1,9
Leiria	463,2	80,0	2,4	66,4	2,5
Viseu	196,4	117,1	1,7	89,3	2,2
Guarda	346,3	64,7	5,4	54,3	6,4
Castelo Branco	358,6	64,7	5,5	46,6	7,7
Lisbon Region	828,1	218,3	3,8	129,6	6,4
Lisbon	194,6	77,1	2,5	49,1	4,0
Setúbal	267,6	45,8	5,8	13,8	19,4
Santarém	365,9	95,4	5,6	66,7	5,5
South	1.813,7	242,8	7,5	84,5	21,5
Portalegre	339,2	48,9	6,9	15,7	21,6
Évora	395,2	53,4	7,4	10,8	36,6
Beja	724,5	77,5	9,3	20,0	36,2
Faro	354,8	63,0	5,6	38,0	9,3
Total	4.834,0	1.297,3	3,7	853,6	5,7

Source: Estatísticas Agrícolas. Instituto Nacional de Estatística.
Lisboa - 1960.

Table 10 Distribution of Farms by Arable Area in 1954

	North	Centre	Lisbon region	South	Total
<u>A. Number of farms</u>					
Total ('000 farms)	225,0	384,1	115,3	79,3	801,2
Percentages:					
under 1 ha.	49,8	54,1	53,1	26,2	50,0
1 - 5 ha.	38,6	39,1	37,6	37,7	38,4
5 - 10 ha.	8,2	4,6	4,9	14,2	6,6
10 - 50 ha.	3,3	2,0	3,4	18,7	4,2
50 -200 ha.	0,6	1,1	0,7	4,1	0,6
over 200 ha.	0,1	0,3	0,3	2,0	0,2
<u>B. Area</u>					
Total ('000 ha.)	551,0	825,7	558,0	2.180,1	4.114,9
Percentages:					
under 1 ha.	8,3	11,5	5,0	0,4	4,3
1 - 5 ha.	39,6	43,3	18,7	3,4	18,3
5 - 10 ha.	25,2	15,8	7,6	3,9	9,6
10 - 50 ha.	24,9	18,2	15,5	16,1	17,6
50 -200 ha.	1,9	4,5	14,0	15,1	11,1
over 200 ha.	0,1	6,6	39,2	61,1	39,0

Source: "Níveis de Desenvolvimento Agrícola" (op.cit.) (Annex VIII).

AREAS WITH PREDOMINANCE OF THE BIG FARMS

% OF THE AREA

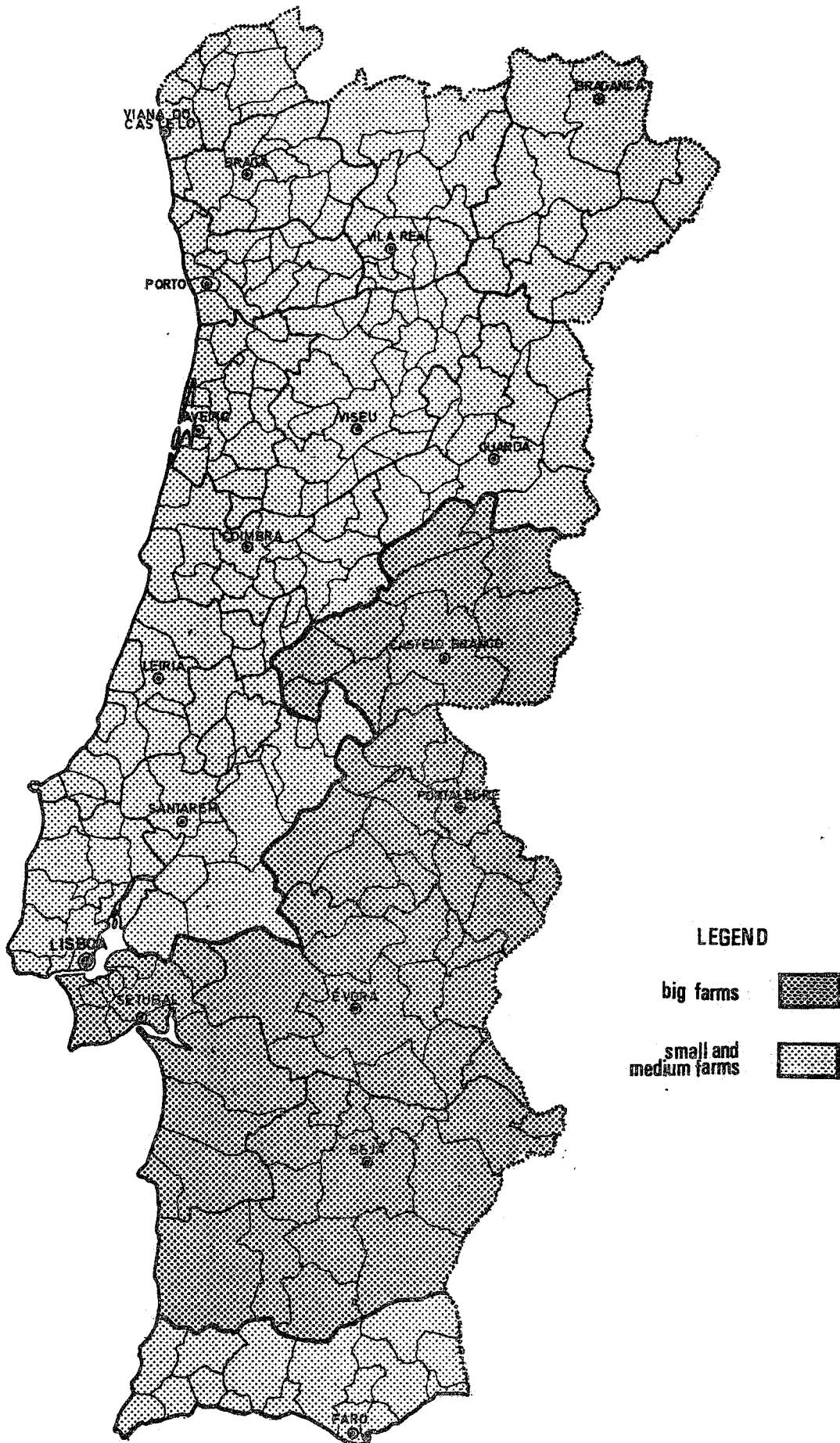


Table 11 Percentage of farms with more than six plots of land

District	Percentage
<u>North</u>	
Viana do Castelo	45
Braga	19
Porto	16
Vila Real	43
Bragança	63
<u>Centre</u>	
Aveiro	40
Coimbra	42
Leiria	42
Viseu	41
Guarda	35
Castelo Branco	27
<u>Lisbon region</u>	
Lisbon	15
Setúbal	2
Santarém	24
<u>South</u>	
Portalegre	11
Évora	8
Beja	10
Faro	24
Total	33

Source: "Níveis de Desenvolvimento Agrícola". Op. cit.

c) Distribution of the active agricultural population,
and forms of land tenure

In the Northern Districts, "self-employed" farmers (with no paid work force) and the (unpaid) members of their family constitute the greater part of the active agricultural population (table 12). This contrasts sharply with the position in the South where the agriculture population is composed of a few big landowners employing a relatively large paid labour force. In the Beja district, for instance, 86 per cent of the active agricultural population consists of hired labour, but one must stress that the total number of hired workers includes a great deal of casual labour and no indication can unfortunately be given of the duration of their employment.

There are no striking regional differences in forms of land tenure, for the country as a whole. In 1952-54 (last figures available), 62 per cent of farms were worked the owners, while 18 percent were still farmed under a mixed system of owner farming and tenant farming for a fixed or "variable" rent ("variable rent" meaning share-cropping). Other farms were either let for a fixed or variable rent, or worked in a mixed system.

TABLE 12

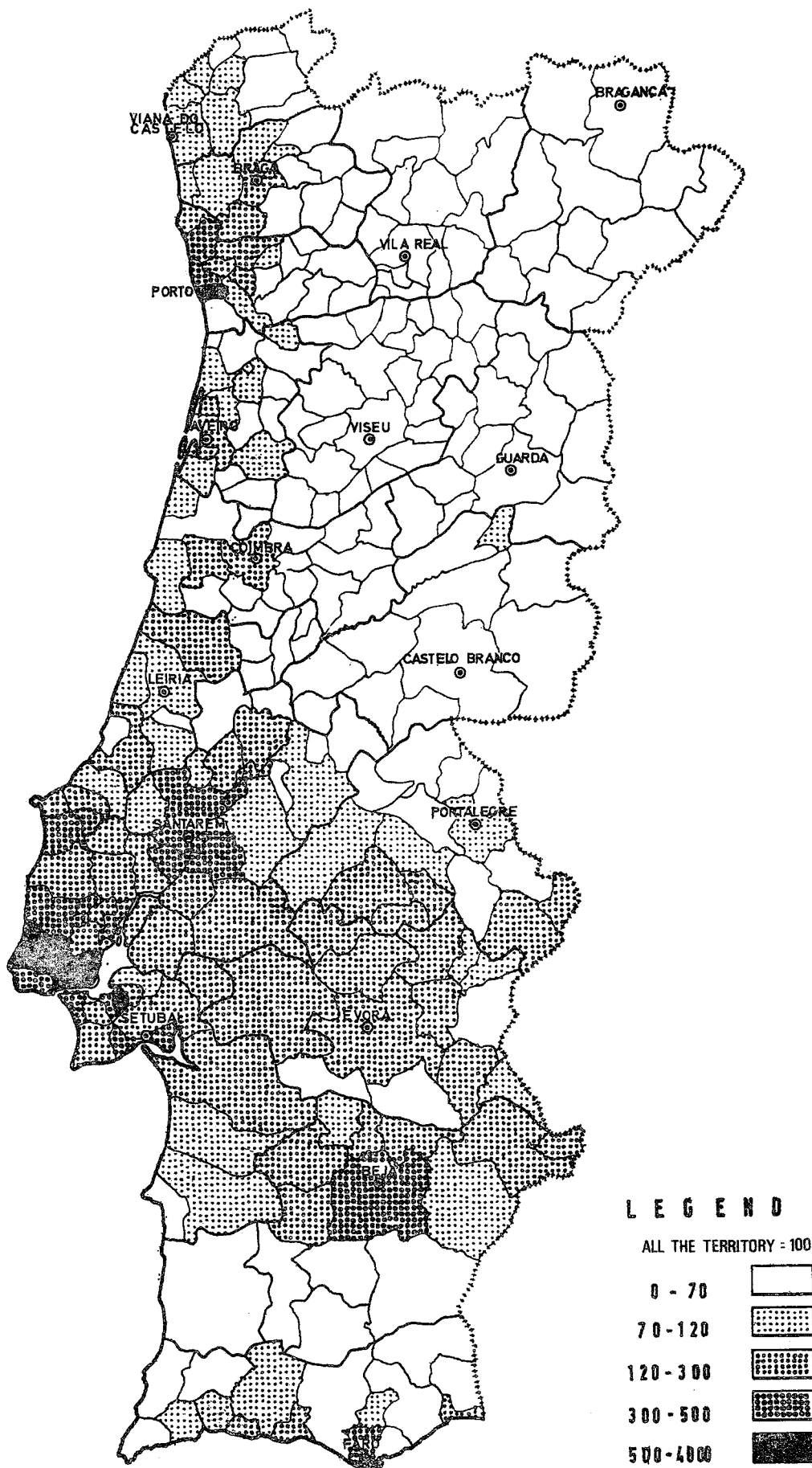
Active Population in Agriculture, Forestry and Fishing
as a Percentage of the Total Civilian Labour Force.

	1954-56	1959-61	1964-66
Portugal	47,0	44,2	38,1
Spain	45,2	41,5	30,5
Italy	37,9	32,7	25,5
France	27,1	22,4	18,2
U.S.A.	11,1	8,3	6,0

Sources: OECD Manpower Statistics and Estimates by the Secretariat.
At present one can estimate, for the Portuguese case, a percentage around 30%.

TRACTORS BY AGRICULTURAL AREA (1964)

INDEX



PERCENTAGE OF AGRICULTURAL WORKERS IN THE WORKING POPULATION (1960)

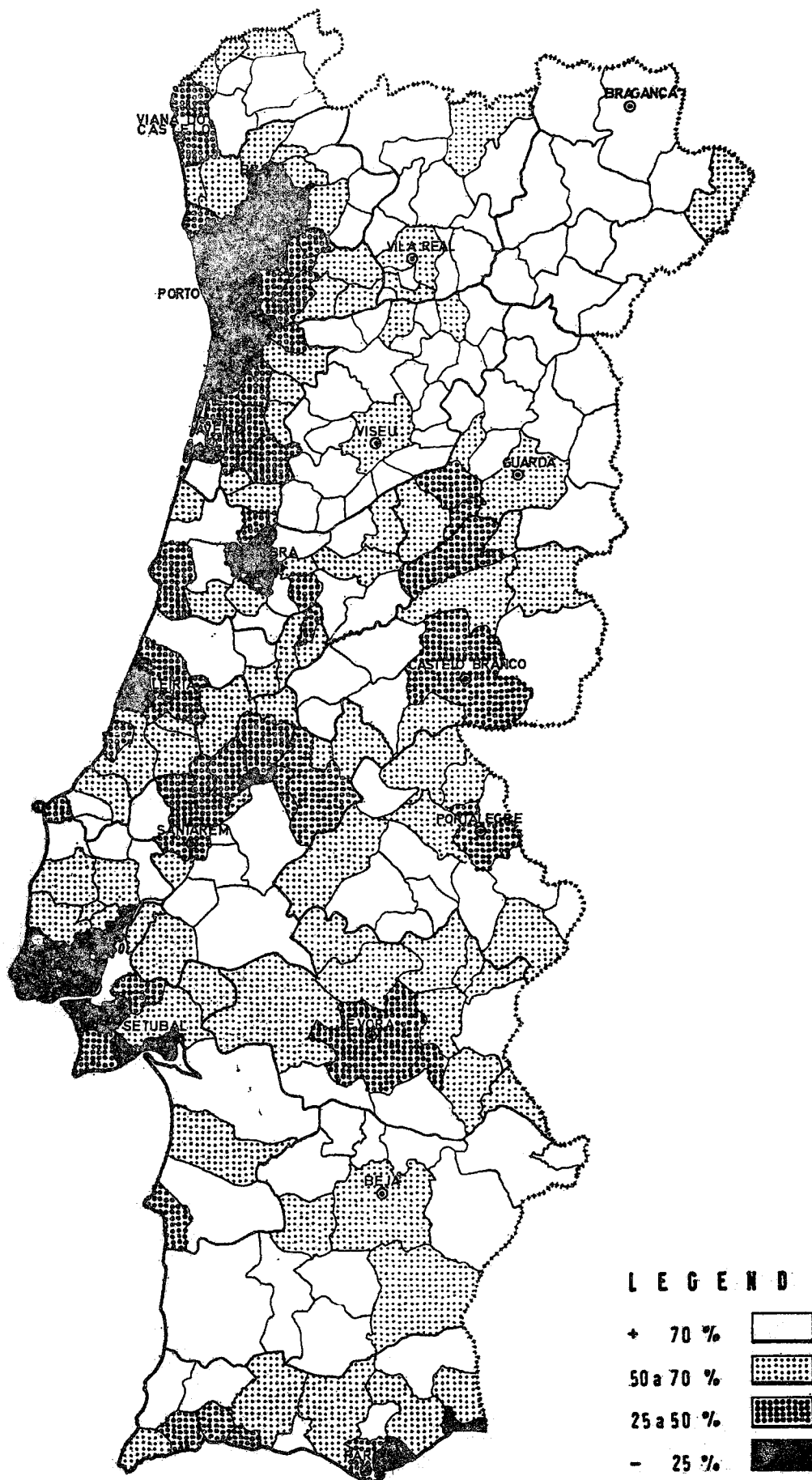


Table 13 Distribution of the Active Agricultural Population in 1960 (As a percentage of the total active population per district)

	Employers	Self-employed	In others' employment			Unpaid workers
			on a monthly basis	on a yearly basis	on a daily or weekly basis	
<u>North</u>	6,4	28,9	3,1	0,7	36,9	24,0
Viana do Castelo	2,4	42,9	1,1	0,05	19,3	34,2
Braga	7,2	29,9	2,6	1,2	31,8	27,2
Porto	9,9	27,1	5,9	1,2	35,2	20,5
Vila Real	6,7	21,9	2,9	0,4	48,9	19,2
Bragança	4,5	25,6	3,0	0,4	46,2	20,2
<u>Centre</u>	6,4	25,4	2,1	0,3	51,6	14,0
Aveiro	10,9	32,0	2,4	0,4	34,5	19,7
Coimbra	5,1	26,6	1,2	0,1	56,0	10,7
Leiria	6,5	24,7	1,8	0,06	54,4	12,3
Viseu	5,2	28,5	2,8	0,1	44,7	18,6
Guarda	5,4	22,6	2,7	0,5	56,8	11,9
Castelo Branco	6,4	15,3	1,6	0,9	67,5	8,2
<u>Lisbon region</u>	6,0	11,7	3,6	0,2	73,4	5,0
Lisbon	6,3	14,2	4,7	-	67,9	6,9
Setúbal	5,1	5,6	5,6	0,3	80,1	3,1
Santarém	6,1	12,7	1,6	0,4	74,7	4,4
<u>South</u>	4,09	10,0	10,5	1,3	69,6	4,4
Portalegre	3,6	5,6	16,6	0,9	71,3	1,9
Evora	2,7	4,2	16,7	2,5	72,9	1,0
Beja	3,4	6,5	9,3	1,8	74,9	4,0
Faro	6,3	22,8	2,0	0,1	58,9	9,5
Total	5,9	21,2	4,2	0,6	54,5	13,5

Source: Estatísticas Agrícolas. Instituto Nacional de Estatística.
Lisboa - 1960.

2.1.5. One can argue also, on comparative grounds, that the major difficulties of Portuguese backward rural regions are not so much technical as social. Poor soil and severe climate have often been overestimated as explanations for the economic history of various regions. The sand of Israel is not particularly rich, and natural agricultural conditions there are far from ideal; nevertheless, because of the quality of human effort (and, of course, capital availability) productivity has been high enough in these cases to enable the populations to attain relatively high living standards. Thus, one can conclude, with reference to the situation characteristic of a large part of Portugal, that it is in people and in their works that it is necessary to look for the real obstacles to the economic development of a region.

A large part of the blame for the lack of investment in human capital in the countryside is placed on the overconcentration of intellectual and professional facilities in Lisbon (and in a smaller scale in Porto). Frequently, the provinces have been regarded only as a source of manpower for the utilization of the "thinkers" in Lisbon. For most professors, scientists, financiers, technicians, engineers, managers, and skilled workers, promotion means Lisbon; the provinces mean exile and stagnation. To redress the balance, it is not a question of material investment, but of qualitative investment in people. Therefore, decentralization should be carried out with greater emphasis on the areas of teaching, research, and administration in the largest sense, which in the end commands all industrial decentralization relating to quality. In this domain nearly everything remains to be done.

The statistics also emphasize the intellectual domination of Lisbon. For example in 1970, more than 60,0 per cent of all engineering diplomas given by establishments of higher technical education were delivered in Lisbon. The Lisbon Region accounted for more than the half of the total number of technicians. A survey recently conducted by the national joint for the Scientific and Technological Research indicated that 75 per cent of all persons engaged in scientific research worked in the Lisbon Region.⁽²⁴⁾

At the local level, on the other hand, subsidies and loans have permitted considerable improvements in economic overhead capital, especially in the matter of electrification and water supply. However, the provision of socio-cultural investments has been much less satisfactory, and in the great majority of rural communes they are nonexistent. This difference results both from the greater ease of obtaining outside financial help for providing economic overhead capital and from a certain lack of interest in social investment on the part of many local authorities.⁽²⁵⁾

It is evident that a necessary condition for economic development is a willingness on the part of the population in question (or at least a significant part of the population) to act in an economically rational manner. Insufficiencies in this regard in much of rural Portugal cannot all be blamed on the dynamism of the Lisbon Region.

Nevertheless, much of the lack of adequate economic motivation in rural areas can be attributed to government policy. An excellent historical analysis of this phenomenon has been made by Castro Caldas,⁽²⁵⁾ who traces many of the difficulties of Portuguese agricultural regions to two basic areas of past public policy. The first concerns an official desire to maintain a large population in agriculture instead of rapid technological change, while the second relates to inadequacies of social overhead in the regions in question.

The government protectionism tended to limit the transformation of the structure of Portuguese agriculture, whereas such change became increasingly necessary as a result of mechanization. Indeed, it was not until 1960 that government policy officially admitted that a large number of small exploitations would have to disappear, and that there would have to be a consequent diminution of agricultural population. Practical means to further the realization of this revised position were not provided until 1962, with the creation of a "Fundo Especial de Reestruturação Fundiária", having an availability of 480.000 "contos" for the purpose (mainly drawn from the Fundo de Melhoramentos Agrícolas, based on bank credit). The new Fund will grant credit to farmer-tenants to acquire ownership, or to ensure that good-sized farms are established, especially in high productivity areas. Short and medium term loans, and a "co-participation procedure" (outright grants) are envisaged. The Fund will be administered by the Junta de Colonização Interna. It has not yet been set up, pending the finishing of the required regulations.

In general, therefore, the central government in effect discouraged economic development in backward agricultural regions by officially promoting a large agricultural population and by failing to provide the social overhead investment needed to give the populations of those areas an awareness of alternative opportunities, as well as the intellectual equipment to take advantage of them. Moreover, the regional disparities which became evident a century ago are basically those which may be observed today.

Illiteracy of the agricultural population still maintains a high level, and although recently general education is vastly improved, professional training in agriculture is until now nearly non-existent (at least in a efficient way). Even now the greater part of the Portuguese population engaged in agriculture has not received any formal professional training.

Thus, the low standard of education in rural communities constitutes a vital aspect of under-development in this sector. The 1960 census returns showed that 30 per cent of the population aged 15 or over were illiterate: 68 percent of their number belonged to the agricultural sector, Professor Barros⁽²⁷⁾ on the basis of official data, estimates that 44% of illiterate are agricultural farm-operators! The number of pupils enrolling for elementary courses in agricultural training, after completing their school education, does not exceed 4.500 per year (for an active agricultural population of 1 million in 1970), and the percentage completing the courses does not exceed 5 per cent of that number. Only 1% of the farm-operators finished secondary, medium or higher studies in agriculture. Portugal has five agricultural colleges, with about 600 new pupils a year, but only about 30 percent complete the course successfully. The percentage is about the same in the advanced training colleges in general agronomies and forestry.

The IIIth Development Plan (1968-1973) provides for the development of farm management centres (which are still relatively few) with the task of analysing farm accounts. It also provide for the creation of fifty demonstration farms and for the installation of a system of "integral" advisory services in certain areas, particularly for the development of cereal crops. Nevertheless, the amounts intended of these various activities represent only a very small part of the total state expenditure for agriculture (56.000.000\$00 = 7 million dutch guilders).⁽²⁸⁾ Furthermore, in Portugal, the lack of technicians also acts as a brake on the development of advisory services. (also the technicians are by preference looking for "non-dirty" jobs in town).

As a consequence of this extreme insufficiency on agricultural education and training, the level of technology in this sector is very low: (29)

- i) 25 per cent of farms use only the human energy, that means hand force;
- ii) only 9 per cent of farms use mechanic energy;
- iii) there are 36 per cent of farms using both animal energy and mechanic energy;
- iv) only 12 per cent of farms use electrical energy.

Also Jean Pautard stresses that insufficient technical knowledge of farmers is a bottleneck to regional development emphasized by agronomists. It is much more severely felt with regard to technical progress in biology and chemistry than with regard to mechanization. (30)

LAND REFORM

A great deal of emphasis has been placed on land reform as a major problem of backward agricultural regions. Professor Barros, for example, has emphasized that "the basic explanation for the persistent technological delay and economic failure of the Portuguese-agriculture - and in the same time its impossibility to follow the progress of the others economic sectors - consists in those structural defects frustrating the creation of agricultural enterprises adequately dimensioned, structured and managed." (31)

Indeed, in Portugal, a small number of large estates, which occupy a disproportionate part of all agricultural land, co-exist with a host of small, fragmented holdings. Diagram x 11 illustrates the degree of concentration of arable land in farms: it can be seen that 95 per cent of the holdings account for only 32 per cent of the arable area and, inversely, half of the arable land is in the hands of less than one per cent of all farms.

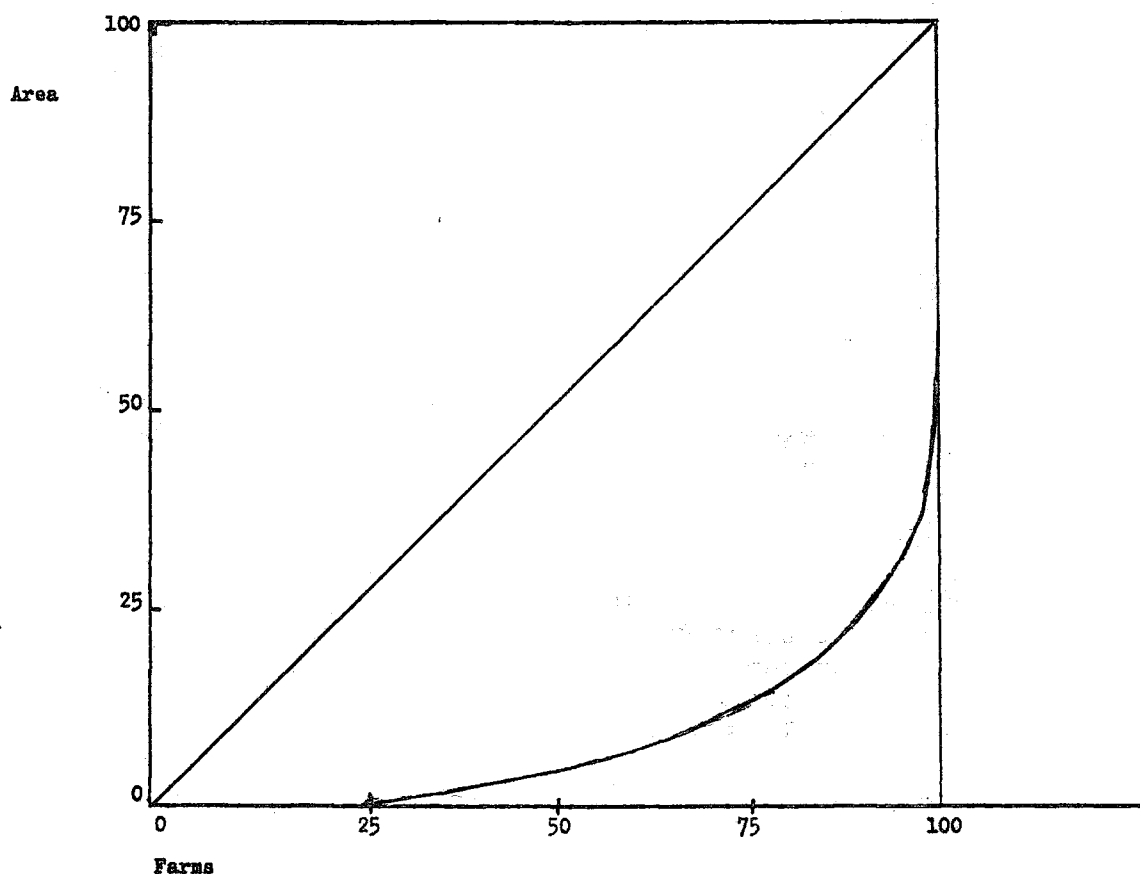
DIAGRAM

THE DISTRIBUTION OF ARABLE LAND IN PORTUGAL, AS SHOWN BY CONCENTRATION CURVES
(see 2.1.4.)

The horizontal axis shows from left to right the cumulative proportion of all farms, from the smallest size group upwards.

The vertical axis shows the cumulative proportion of all arable land occupied by the farms indicated on the horizontal axis.

Consequently, a straight line (the diagonal) would represent a situation where all farms were equal in size (e.g. 10 p. of farms occupy 10 p. of the area); on the other hand, the closer the middle of the curve to the right hand bottom corner, the more unequal is the land distribution.



Average area of arable land per farm: 5.1 ha

Thus, as to the main features of farm structure in Portugal, one can conclude: in the North and certain parts of the Centre, predominance of very small farms, often minutely subdivided, worked by family labour; in the Alentejo plains, predominance of large estates with a paid work force often coexisting with a host of small family farms.

This is obviously an unhealthy situation, economically as well as socially, as the over-extension system practised on most of the large estates is a chief obstacle to the expansion of agricultural output. Furthermore, irrigation and soil amelioration projects are greatly hampered by the lack of structural uniformity.

Under law of 1962 dealing with settlement projects (especially in irrigated areas), it was proposed to fix the number of techno-economic units to be reserved for direct working by the owner at not less than five, "not covering a larger area than is advisable, having regard to the local economico-agrarian, social and demographic circumstances".⁽³²⁾ The same law envisaged the possibility of expropriating land for reasons of "urgent public utility", always subject to certain conditions. In actual fact, the law has never yet been applied; it appears that the criteria to determine "techno-economic units" have never been established... As a result, no direct action has yet been taken for structural improvement, and even in the newly irrigated areas, farm structure remains practically unchanged.

On the other hand, the IIIrd development plan recognizes that adjustments on farms should take in account criteria regarding "minimum economic size" and "farming systems". It considers however that no direct measures should be applied to secure the reform of agrarian structure. The present land distribution is the "fruit of an evolutionary process", the areas where small farms proliferate are those with the greatest productivity potential; those containing no small farms have a relatively low productivity potential. Structural organization should be left to private initiative, perhaps with state backing.

Furthermore, the consolidation of scattered holdings has so far been attempted in only two zones, each covering about 100 ha, one in the north and the other (irrigated) in the south. Lastly, attention should be drawn to the interest now aroused by the possibilities of group farming. No farming groups exist as yet (leaving aside certain traditions of pooled labour, especially in the livestock sector). A new law is, however, at present being drafted, to grant such groups the same legal and fiscal advantages as are already enjoyed by cooperations of the conventional type.

2.2. SOCIAL CONSEQUENCES OF THE TRADITIONAL PATTERN OF PORTUGUESE DEVELOPMENT

The marked imbalance in the spatial structure of Portuguese development gives rise to sharp contrast and regional dichotomies with the respective social consequences, which briefly are in synthesis:

2.2.1. SOCIAL CONSEQUENCES OF REGIONAL DICHOTOMIES

The internal imbalance, analysed in the foregoing, between the more developed coastal areas and the inland backward regions shows up in Portugal in a series of marked regional contrasts.

Firstly, one must consider the contrast between dynamic areas and depressed areas. In the former production is expanding at considerable rates and there is a strong population growth, while, in the latter, economic growth is declining or stationary and the population tends to emigrate either to abroad, or to the dynamic regions in search of employment opportunities and services. This phenomenon would not necessarily be negative if the dynamic regions could fully absorb the migrants and satisfy their expectations. However, this is not yet occurring, and in the majority of cases, this dynamism has become exclusive.

Another contrast exists between wealthy regions and poor regions. Socio-economic and socio-cultural indicators and per capita income levels are relatively high in the former, while in the latter they are low and unreliable. This concept of wealth is also linked to the existence of highly remunerative economic activities which are being fully exploited.

There is another contrast between modern regions and traditional regions, the former being characterized by their capacity for innovation and modernization, both of economic and other social institutions, while the latter remain tied to more traditional forms of production and social organization. Broadly speaking this type of contrast corresponds to the dualism urban-rural environment.

A fourth contrast exists between metropolitan regions and rural regions. A large part of the country's population, which has grown beyond the maximum limits for the proper functioning of urban services, is concentrated in Lisbon and Oporto Metropolitan areas, while, in the rural regions, the population remains dispersed and there is no hierarchy of urban centers.

contrast

Eventually, a last/exists between relatively autonomous regions and dependent regions, development in the autonomous regions being more or less self-sustaining. Such regions ^{are} to a certain extent, capable of operating on the basis of their own material markets and of subsidizing other regions, while the survival of the dependent regions requires a continual transfer of sources from the central government or from other more dynamic regions. This situation could have positive results within the framework of an over-all regional development strategy designed to offset imbalances, but it has adverse effects where a state of dependence prevails and there is no genuine economic integration, thus leading to conditions of economic and political dependence.

Because of these regional dichotomies, relations between regions correspond to a typical system of domination and dependence in which, as is well known, one of the sub-system dominates the other.

Within this general framework, relations are characterized by a series of distortions, for example internal domination whereby a super-region (Lisbon) subordinates other regions and exercises the same kind of pressure and adverse effects as some industrialized countries exert on developing countries by making them producers of raw materials at decreasing prices and buyers of manufactures at increasing prices; in addition, they drain off a considerable part of the resources and income of the depressed or less developed regions.

by Another distortion is dependence, when the region cannot/itself mobilize sufficient energy and incentives to accelerate its development, and therefore needs the constant support and protection of the State to maintain its level of production and its standard of living. An extreme and even more harmful form of dependence is parasitism, where the region becomes accustomed to and prepared for systematic vegetation at the expense of the national budget. Another aspect is localism, where there is a general failure to distinguish regional development and its goals from small local interests. In such situation, the community becomes systema-

tically mobilized to exert pressure on the central level for aid, which is later channelled in favour of local interests. A similar case is the system of privileges, whereby, as a result of complex social conditions, some regions generate a sort of collective awareness of their need for an entitlement to certain privileges or exceptional treatment.

In this way, a lack of adequate national integration was generated. For various reasons, as occurs in the context of a pattern of domination and dependence, and to varying degrees, the different Portuguese regions are not structurally related to each other in such a way as to permit integration of all their human and economic resources and a share in the fruits of national development for the population of all the regions.

This does not mean that all the regions of the territories per se, and irrespective of their potential, should receive the same treatment and the same benefits. For, in some cases, resources in regions that have little to offer would be wasted, and, in other cases, advantage would not be taken of potentials and favorable opportunities. Possibilities of strategic management of development policies, as priorities were modified, would also be lost if this were done. Rather, it is a matter of adequately integrating the different regions and their populations into the economy and life of the country through organic and equitable relationships that would be of real benefit to both national development as a whole and to the population as a whole.

Thus, as a result of this lack of integration, or owing to the existence of a pattern of integration based on dependence, Portugal has an imbalance and contrasting internal structure made up of an industrialized and dynamic super-region in which the economic, the political power and the culture are concentrated, and a group of regions which are stagnating and lack dynamism. This situation and the economic, political and cultural relations between the regions determine, to a certain extent, the social behaviour of the population at large and of its representative sectors. This behaviour is a factor of some importance in the strengthening and sharpening of regional imbalances and it naturally also plays an important role as an obstacle to any strategy designed to overcome such imbalances.

In the case of Lisbon metropolitan area which achieved a high level of dynamism and has its own market, its behaviour seems to tend toward underestimation of the markets in the other regions, and a transfer of subsidies to them. Lisbon has reached a phase of development which enable itself to be self-sustaining,

and even to continue growing at the expense of the rest of the po pulation located in the other regions.

In the regions with little dynamics and in those which are stagnating, the attitudes of the dominant groups differ from those of the population at large. In these cases, the general feeling is that the region has neither the resources nor the capacity for action needed to speed up its development, and that little or nothing can be done without the help and protection of the cen tral authorities. This attitude, which is often due to many years of unfavourable treatment, is sometimes pushed to an extre me, so that the action of the local leaders is concentrated on obtaining and benefiting from subsidies of "paternalistic" type. Another form of this attitude is evident in systematic efforts made to obtain fiscal, customs and financial privileges and prero gatives, which, under the pretext of incentives to local development, become permanent systems of subsidies and excl usive benefits for some local and extra-regional groups.

In the absence of a suitable remedy or strategy for dealing with the problem of the lack of national integration and the social behaviour to which it gives rise, mistakes may be made and efforts may be frustrated. For example, incentives and subsidies, whether accidental or planned, can, in some cases, have adverse effects; although there are no systematic studies on this subject, it is a well-known fact that in many cases the bulk of central aid received by regions will fall into the hands of the local dominant groups.

Thus, in practice, an adverse paradox, which is undoubtedly part of the structure of dependence, is caused, whereby the dependent regions pay out more resources, than they receive. This serves as a partial explanation for the traditional failure of these policies in Portugal. In view of those considerations, the following questions should be asked: is this lack of integration exclusively the result of political and economic centralization, or are there other localized social factors in the peripheral regions that contribute to it? Would a purely economic strategy facilitate integration?

2.2.2. SOCIAL EFFECTS OF POLARIZATION

The polarization of development-which has contributed decisively to secure markets and economic scales of production for industry and to benefit from the existing external economies - has given an outstanding contribution to the creation of sharper and more pronounced regional imbalances.

First, the concentration of investment, services and power has stimulated the concentration of the population in Lisbon and Oporto metropolitan areas, where rates of population growth generally exceed the economy's capacity to provide sufficient employment and services, causing already congestion problems in those areas. This had led to the appearance of large and expanding marginal population groups which make the shortage of services more serious, cause distortion of the unskilled labor market and place on the urban centres the burden of the social conflicts created in rural areas by stagnation, poverty and unsatisfied expectations of many generations.

Secondly, this "urbanization" has discouraged the creation and consolidation of secondary growth poles and medium-sized cities which formerly were the centres of development in many inland regions and which could now be the starting points for a strategy of regional development.⁽³³⁾

Thirdly, this polarization of the population renders more difficult and costly the provision and operation of urban and social services because the scale on which these services can be organized and financed is exceeded.

Fourthly, as a result of the polarization of opportunities, the more dynamic and skilled individuals and groups are abandoning the rural areas and the small and medium sized towns for the large centers in steadily increasing numbers. This means, that these small and medium-sized towns are steadily losing their potential human resources for progress, and that they are increasingly at the mercy of the most traditional groups.

This is partly why social changes take place very slowly in Portuguese rural areas and also why they sometimes lead to greater poverty and new forms of dependence for the peasants, in contrast to what happens in the urban centers, which are becoming increasingly modern.

Fifthly, polarization also leads to a concentration of modernization, thus creating what are called "islands of modernity", which are in marked contrast with the backward and sometimes primitive peripheral areas. Because of the characteristics of the development patterns and other restraints, these islands do not have the capacity to radiate their positive influence and transform the unmodernized sector. On the contrary, they exert, in fact, a negative influence by draining away human resources and by creating economic and political dependence. This does not mean that polarization can, in no case, be beneficial to the peripheral areas. The situation would be different, for example, within the framework of a new regional development strategy designed to ensure a positive system of transfers and bring about beneficial changes in the spatial structure of development.

In this way, industries are located in the large urban centers, which excludes the rural areas and the peripheral regions from the industrial development process. The following questions arise in this connection. How does this affect the population located outside the industrial centers? In order to take ^{into} account of these social factors, should industry be relocated in areas where the population is concentrated or should the reverse be undertaken, or is there an intermediate solution? In Portugal, the equipment and technology used in the industrialized countries to produce goods and services for mass consumption can only be bought by the sectors of the population with the highest incomes. This means that the demands of large sectors of the population, particularly in the peripheral regions, are being ignored. In addition, the lack of manual tools and equipment, raw materials, and equipment and goods for mass consumption has probably discouraged any dynamism in the economy of the peripheral regions. Here, we may ask what kinds of technology and what pattern of production of goods and services will best help to reduce regional unbalances and contribute to the integration of the rural sectors. Or is the problem caused not only by external technological dependence, but also by the lack of an appropriate regional development strategy which takes these social factors into account?

Because of the situation described above and the relatively high cost of goods and services produced by this type of industrial development, the expansion of markets can only be vertical, i.e., with the same group of consumers buying more goods, or buying the same goods more often. Thus, through the concentration of income and markets, the traditional centers have been able to strengthen their position as the more or less exclusive beneficia

ries of the fruits of development, with a consequent exclusion of the population of the peripheral regions. The following questions arise in this connection: to what extent does this verticalization of the markets tend to increase the existing regional unbalances and how can an internal or horizontal expansion of the market be achieved within the existing technological patterns in Portuguese industrialization process?

The adverse effects of this industrial development pattern on employment may be felt even strongly in the coming years and perhaps during the whole of the next decade. As is well known, Portugal has wide margins of idle installed capacity, owing to the limitations of the domestic market and the external and internal restrictions which prevent profitable participation in the international market. In these circumstances, any growth of the domestic markets in the coming years will presumably have to be achieved largely by raising each employee's productivity and by taking advantage of idle installed capacity. No substantial improvement in the employment situation can therefore be expected.

This assumption is based on the absolute necessity of increasing productivity and raising quality standards to the high level required for competition in the international market. On the present basis, both instrumental objectives and productivity lead to a shrinkage of employment and to the introduction of new and more complex technology, thus creating a typical circular cause-and-effect relationship, which can make dependence even stronger and increase social marginality.

2.2.3. SOCIAL EFFECTS OF THE EMIGRATION FLOW TO ABROAD

The consequences of external migration of labor vary according to the different social and economic background of the emigrants and show distinctive regional characteristics. In Portu-

gal there exists two large and essential different groups of external emigrants. One group of emigrants comes from rural areas and before emigrating was concerned with private farming, while the other contains people from urban and industrial centers who were chiefly employed in the secondary sector of the economy. The changes which are taking place in these two different areas (i.e. in the rural and the urban one) will be dealt with separately.

On the other hand there are three basic motives for going to work abroad: availability of jobs, higher earning, and dissatisfaction with the existing job. Naturally, the second motive is often related to the first, and even more frequently to the third, these motives do not have the same significance in all the regions. As a rule, departure from the developed regions is motivated by higher earnings; and that from the less developed ones, by the acquisition of jobs. Labor was also differentiated: from the developed regions it is predominantly the skilled labour, and from the backward the unskilled labour, that goes abroad. Moreover, these differences are also extent within the regions. From the large urban centers, it is mainly skilled labour that emigrates in search of better earnings; the reverse is true of smaller towns and villages.

Due to the great density of population in the North and Center agricultural regions, the emigration of a proportion of the active farming population generally has no adverse effect on agriculture production. Households which as a result of the employment abroad of its working members are left without man-power can continue to farm the land with the help of hired labor. In agricultural regions, with more favorable conditions for the cultivation of land many inhabitants, when returning home from work in foreign countries, bring with them modern farm machinery which they also use to cultivate the land of their neighbours who are still working abroad. As a result, and despite the foreign employment of a large number of agricultural workers, farm land continues to be cultivated by a diminished number of agricultural workers.

In certain areas of Minho (northwestern) hinterland which adjoin the coastal belt one can observe a favorable effect of the external labour migration on agricultural production. Savings from several years of work abroad have enabled local farmers to renew their vineyards and orchards by using hired labor, and many bought mechanical sprayers for watering their vegetable plots, and lorries for the transport of agricultural products to tourist resorts and urban centers on the coast. On the opposite side the

incidence of out-migration in the inland backward regions, especially in the south province of Alentejo which is characterized by "latifúndio" and a low density^{of} population, was very negative and is contributing more and more for a tremendous crisis of the rural development in this area.

For the time being external labour migration from rural areas has not led to an expansion of farm holdings. This is due to the fact that after several years of employment abroad very few farmers can find steady jobs in non-agricultural activities. Even those who do find employment outside agriculture retain their land as a measure of precaution in case they should lose their jobs. Be cause of the diminishing returns from farming there are very few farmers who would be inclined to expand their holdings by purchasing new land. They prefer to spend this surplus of the free time on intensifying their farm production (e.g. concentrating on livestock production, etc.), on simple processing of agricultural produce (cheese making, basketry, etc.), or on part time employment in non agricultural activities.

As stated before, most of the workers from urban settlement who took up employment abroad, had been employed in Portugal and had, of their own free will, given up their job in organizations of what is called the social sector of the economy. At the first they included mainly semi-skilled workers with low earnings who could easily be replaced by the great offer of nonemployment labour in the domestic market. Many of these workers left while they were unemployed after losing their jobs.

Some five or six years ago increasing number of highly skilled experts and persons with university training began to leave their jobs in Portugal to take up employment abroad. This had a serious effect on many Portuguese firms. The basic motives of these emigrants were the prospects of higher earnings, though many appeared to be attracted also by the more favorably prospects abroad for improving their skills. The emigration of highly skilled workers and experts is currently one of the greatest problems of the Portuguese development. Thus, one of the most important tasks in controlling the process of foreign employment should be to prevent, or to make more difficult, the departure of skilled cadres which are required by Portuguese economy. (34)

The fundamental motive of foreign employment being higher earnings, many Portuguese firms have been compelled to change their regulations on pay scales in order to be able to offer skilled ^{labourers} higher pay and thus discourage them from leaving and taking up employment abroad.

The shortage of skilled workers resulting from their emigration has become a limiting factor in the development of individual firms and industries (especially the mechanical engineering and building industries and the tourist trade) while also affecting the general state of the economy.

Recently, labour emigration starts to cause great problems for the Portuguese tourism trade. During this time many large new hotels have been built on the coast, and many more are under construction at the moment. The exploitation of ^{these} hotels will call for numerous catering cadres. However, many young people who complete courses for the training of catering personnel, usually work in hotels for one season only, to leave immediately afterwards for foreign countries where they can easily obtain jobs with much higher earnings. The shortage of suitable personnel, the fluctuations of labour, and the comparatively low qualifications of the workers are among the major current problems of Portuguese tourism trade.

The socio-economic implications of emigration are therefore multiple not only at home but also in the foreign countries. Immigrant labour takes up those jobs which the local population of foreign countries frequently refuses to do. As a rule, the immigrants work harder, not only because of the greater work discipline, but because of their desire to earn more, sometimes even working overtime of their free will or seeking a second job. Trying to save as much as they can, they usually rent poor-quality accommodations ⁽³⁵⁾. All these circumstances, together with insufficient knowledge of the language make them social outcasts in their new environment.

The implications at home are even greater. The emigrants send money to their families, and this is quite an important source of foreign currency. It is a moot question, however, whether it is a real compensation for the loss to the economy caused by the departure of the skilled labour force. The emigrants

do not bear an adequate share of the cost of educating their children. Their families make use of subsidized prices of accommodation, food stuffs and public utilities. Obviously, the countries of immigration look at problems from their own angle. They see immigrants as an intrusion of a more primitive population which makes necessary additional expenditures for housing and education, in the event that the immigrant bring their families,

On the other hand, emigration, with all its numerous socio-economic aspects, is ^{not} a thing apart. It is difficult to single out any of its aspects that would not have a direct or indirect consequences on inter-regional (domestic) migration. Migrations are very closely connected with the transfer of the labour force from the countryside into towns.⁽³⁶⁾ People deserted villages in pursuit of jobs and a higher income in towns. They were attracted also by the amenities of urban life. This migration was directed towards regional and sub-regional urban centers as well as towards some regions. Attempts were made to reduce the flow and bring it into line with the number of opportunities for employment. Intra-regional and interregional migratory movements nevertheless remained at a high level.

The adaptation of the rural population to urban life was more difficult in early period, particularly because of the huge inflow of unskilled labour. Adaptation was more successful:

- i) if the rural population came from the vicinity of the town with which it had been in touch before;
- ii) if the inflow of the population in proportion to the numbers of the urban population was smaller;
- iii) big towns could impose their standards of behaviour faster, even though the mentality of the immigrants proved resistant;
- iiii) if the rural population was not densely concentrated in certain parts of the town.

This last point brings us to the phenomenon of homogeneity, which aggravates not only the processe of adaptation of settlers from rural areas, but also that of the population in general. The experience of some towns can be highly instructive in this respect. The adjustment was a great deal slower in purely industrial

towns or parts of towns in which the population of rural origin remained densely concentrated. Compact concentration has given rise to monotony. The desire to escape from this monotony has often resulted in excesses registered, for instance, in some pheriferic places of Lisbon, and which may be explained by compactness of the social structure.

The question of migratory movements is related to professional preferences in various regions. If we set aside ^{the} parent's drive in all the regions for high social status for their children than they themselves have enjoyed, professional preferences are still very varied even in the backward regions. It is difficult to examine the historical background and assess the influence of every factor. The social standing of the professions and the economic conditions corresponding to them are among the most important of these factors, although there may be other as well. The following are some of the general features of professional preferences:

- i) emigrants from the countryside and from backward regions merge for the most part with the working class;
- ii) a minor part of this population in possession of some qualifications, chooses all kinds of public services (administration, the juridical system, the army, etc.);
- iii) the population from developed regions and the urban population by origin tends to prefer business, technical skills, science, education and culture.

Resuming, experience with interregional migration in Portugal and imigration into abroad can be briefly summed up in the following general conclusions:

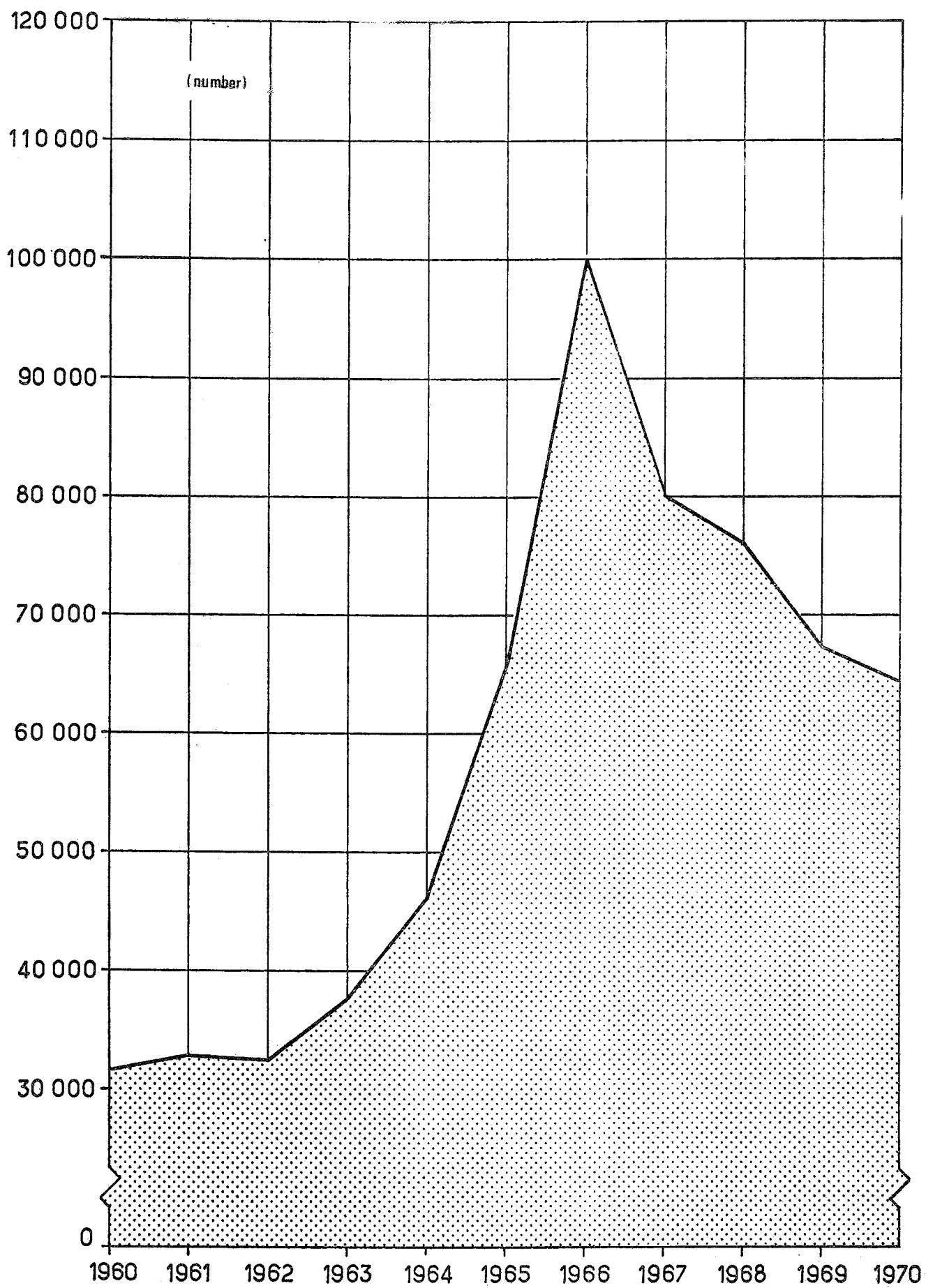
1. THE NATURE AND THE IMPLICATIONS OF THE PORTUGUESE EMIGRATION

- a) Accelerated industrialization in the country, coupled with a strong population pressure, strenghtens the pull and push factors, establishing interaction between them. The push factor in the process becomes not only very strong, but in a way even an indepen-

dent force. It reacts quickly to the pull factor, even when the latter moves abroad. When a sufficiently strong pull factor is missing, the push factor often supplies it by introducing solutions that may not always be economically warranted.

- b) Changes in the population structure under the influence of the rapid ^{increase of the} rate of employment need not have a strong effect on interregional migration if all the regions have important contingents of unemployment or underemployment labour in agriculture. Under these conditions, interregional migration is more influenced by socio-psychological than economic factors. In contrast to this, despite stagnation in employment at home, interregional migrations may become important if the developed regions (Lisbon and Oporto) have drawn from agriculture the basic contingents of unemployed and underemployed labour. If in such conditions the pull factor from abroad acts unhindered they very soon acquire enormous proportions.
- c) Emigration has always been ^{primarily} economically motivated, but its directions have not. There is ^{an} evident tendency towards weakening of the psychological ^{however,} factors which influence the routes of migratory movements, coupled with a simultaneous strengthening of economic factors. This means that the routes also are becoming more and more economically functional.
- d) The psychological motives for emigration arise primarily from accounts of the prospects and advantages offered by foreign employment. These accounts create in individuals a feeling of dissatisfaction with their general situation and encourage them to try and change this situation by taking up employment in a foreign country. Lack of information accounts for the fact that the inhabitants of certain regions, where individuals live in very poor general conditions (housing, working, economic, cultural, social, political and personal) do not try to change this situation by taking up employment abroad. At the same time there are areas where there is ample information and, where every individual is aware of the prospects for, and advantages of, foreign employment.

EMIGRATION DEVELOPMENT



The psychological cause of labour emigration from individual areas develop into sociological motives. Emigration from these areas is often the result of collective decision and imitation. The neighbours of the emigrant workers also want to possess the kind of goods which can be acquired by working abroad. These foreign employment becomes an important factor in the struggle for social prestige.

- e) Implications of departure for temporary work abroad are significant. It is necessary to reexamine the dilemma whether to bring people to jobs or jobs to the people. It appears that the Portuguese experience does not favor the first alternative.

- f) There is an urgent need for the Portuguese government to follow carefully the migratory movements, particularly the departure for work abroad. There are institutions that are expected to give such migration an organized assistance. Departure for work abroad in the current conditions, however, must be regarded as an inevitable, but provisional, evil. This view or feeling must be admitted not only because of the immediate and visible effect, such as the deterioration of the age structure of the population, the influence on the population increment and the loss of skilled labour; but because of the potential danger that, in the event of a recession in the developed European countries, the emigrants might come back in masses and within a very short time, tremendously increasing unemployment in Portugal.

2.2.3.1. THE MAIN FEATURES OF THE PORTUGUESE EMIGRATION
AND THE PROBLEMS OF RETURNING EMIGRANTS

The main features of the external emigration from Portugal and the problems of returning emigrants may be resumed up as follows:

- The emigration of workers from Portugal has reached fantastic proportions and continues increase;
- in view of the country's comparatively small proportion of employed population, great surplus of agrarian population, and poor prospects for the opening of new jobs, the need for the foreign employment of a proportion of Portuguese active population is expected to continue;
- due to the growing disproportion between the Portuguese level of earnings and that obtainable abroad, foreign employment becomes increasingly attractive even to people who are employed, or could find employment, in Portugal;
- the demand for foreign labour, till now, is showing no decrease in developed european countries;
- in the present conditions Portuguese emigrant workers find it difficult to re-adapt themselves to Portuguese economic life and thus tend to delay their return home; as a rule the first to return to Portugal are the less able ones, i.e. those who find it too difficult to adapt themselves to the new living and working conditions, and those who have become invalided or have exhausted themselves by work. Another important reason for the return of emigrant workers are the difficulties which arise from the separation of family members. Of the emigrant workers who were not returning^{from} abroad the smallest group consisted of those who were not because they had achieved the purpose for which they went into foreign employment;

- in delaying their return to Portugal, emigrant workers became more and more adapted to the living and work conditions in the respective foreign countries, they become increasingly assimilated and from temporary emigrants turn into permanent emigrants;
- Portuguese emigrant workers invest only a part of their savings, which they keep more and more with banks in the countries of employment;
- the investment of savings in Portugal goes chiefly into house building projects, although in view of the location and type of project involved it is of ten uneconomic; on the other hand, savings deposited in Portuguese banks are immediately channelled to central agencies in Lisbon and because of this, then regional impact can be considered insignificant.
- Investment in projects and equipment can only help to raise the standards of living (house, motor-car, household equipment, etc.), but will not lead to giving up foreign employment. In fact, higher living standards require higher earnings, which means that even those people who have emigrated because they could not find employment at home even at minimum wages, will return only when they can earn enough in Portugal to maintain the higher living standards they have achieved by means of their earning from foreign employment;
- In the present conditions the adverse effects of the process of emigration of workers exceed the favourable effects for Portugal as a whole. Thus the emigration of labour acts as an adverse factor in the country's economic and social development and increases the disproportions between the development level of Portugal and that of the countries in which Portuguese workers are employed.

2.2.3.2. THE DYNAMICS OF EMIGRATION AND THE MODEL OF PORTUGUESE DEVELOPMENT

Until the Second World War, conditions in Portugal were similar to those which are still being found in the developing countries. There was insufficient industrialization, and population pressure kept increasing because the number of new jobs outside agriculture was insufficient to absorb the increment of the agricultural population. The fact that the share of the rural population remained large influenced the high rates of increment of the total population. A solution could have been found in the co-ordination of an adequate model of industrialization and a functional population policy. Neither of these two conditions has been fulfilled.

In the last twenty years, Portugal attempted, through rapid industrialization, to find a way out of this vicious circle. It succeeded in curbing the tendency of a further accumulation of agricultural population, which helped to decrease the natural increment of the total population. The weak side of the model, however, is that the demographic and social aspects of development were not sufficiently comprehended. The Portuguese experience has demonstrated the necessity for a functional population policy. Such a policy cannot consist merely in registering the influence of industrialization, on the falling rate of population increment. Encouraged by industrialization social changes and migratory movements may acquire unexpectedly large proportions. Employment, the process of urbanization and all types of migratory movements may escape social control.

The neglected social aspects, in particular the implications of overemployment outside agriculture, gradually came to the forefront and became the cause of changes in the philosophy of development. The stabilization of the economy, the curbing of inflation and the improvement of the balance of payments depended largely upon decreasing the growth of over-employment. Such a counterbalancing of the previous period proved much more difficult than had been expected. Once the balance between economic and social development is lost, it is difficult to regain.

The processes of social changes and migratory movements that escaped control are continuing through inertia, leading to new avenues and possibilities. From this point of view, the Portuguese experience is highly instructive. If development policies

similar to those in Portugal are applied, similar social changes and migration changes must obviously be expected. In any event, these changes require full attention, careful preliminary study and an active policy so that their numerous implications can be dealt with in good time with adequate measures.

In order to ensure that labour emigration from Portugal becomes a factor which will promote economic and social development and contribute to the integration of European countries, important changes should be introduced in Portuguese economic and social system (changes in relation to private enterprise, to activity with private means of production and to investment of private capital in the public sector of the economy; changes in relation to the employment of experts in Portuguese organizations and to their rates of pay; and changes in agrarian policy, in customs and tax policies, the banking system, the foreign-exchange and foreign-trade regimes, etc.). It is equally important to provide for organized assistance to emigrant workers in their respective regions by offering advice regarding investment of savings and by helping returning emigrant workers to meet their housing and work requirements in the most suitable manner.

There is^a general agreement in Portugal on the need for major changes which would have a favourable effect on the emigration process. It is believed that many favourable effects will derive from the recent changes in the international agreements (especially with France) and that the government legislation will make it possible to adopt new measures which could have a favourable effect on the process of external migration of labour. It is to be expected that the employment of Portuguese workers in foreign countries will then become a promoting factor in the country's economic development which alone could reduce the necessity for Portuguese workers to take employment abroad.

3. THE INSTITUTIONAL CONTEXT AND THE REGIONALIZATION PROCESS IN PORTUGAL

3.1. PORTUGUESE ADMINISTRATIVE ORGANIZATION

3.1.1. MUNICIPALITIES (CONCELHOS OU MUNICÍPIOS)

Portugal's history is closely associated with that of Spain. During the 19th century there were a number of internal political disturbances as a result of liberal movements against absolute royal power. The Republic was established in 1910, followed by the imposition of a military dictatorship and then, in 1933, by the establishment of the Republic which exists at the present time.

A unitary country, Portugal is divided into 18 districts for central government administrative purposes. These districts are, in turn, subdivided into municipalities. These, again, comprise sub-municipal units.

Portuguese municipalities are of two types, urban and rural. Urban municipalities are: (a) those in which the chief centre of population situated within the municipality's boundaries has a population of more than 25.000; (b) those in which the chief/centre of population is the capital of a province or of an autonomus district and has a population of more than 20.000 inhabitants, providing this population accounts for at least 25% of the municipality's total population; (c) municipalities federated with Lisbon and Oporto. All other municipalities are classified as rural and they are subdivided, as are those in the urban classification, into three categories which are based on population and revenue. On the basis of this classification obligatory duties are assigned to the municipalities, according to their ability to carry them out.

All Portuguese municipalities have a common structure, the essential governing organs being the council (conselho municipal), the board (câmara municipal), and the mayor (presidente da câmara municipal). With the exception of the mayor, who is appointed by the central government, council members are indirectly elected by various groups in the municipality, such as the sub-municipal boards; the beneficence or assistance associations known as Misericórdias; the doctors, lawyers and engineers organizations; the local branches of national trade unions; and the corporate or-

ganizations of employers or producers. Where the latter organizations do not exist, representation of local industrialists and farmers is vested in the civil governor of the district, who may appoint up to two spokesmen to represent him. In size, the councils range from six to 14 members, all of whom serve four-year terms of office.

The duty of the council is to moderate and guide the actions of the board which it elects and whose members it may dismiss in certain circumstances. It thus passes judgment on the board's yearly plan of activity and on the fixing of the percentages to be added to state taxes, this constituting one of the principal sources of municipal revenue; it accepts the yearly budget and the plans relating to town planning and expansion; and gives approval to those decisions of the board which are required by the Administrative Code. The council also accepts a yearly report of board activities and in addition, may ask the central government to make an enquiry into the actions of the mayor.

The board is an executive organ of the municipality and is elected by the council from among its own membership. It is composed of the mayor and six, four, or two other members (vereadores), depending on the category to which the municipality belongs. All serve four-year terms of office, with the exception of the mayor, who remains in office eight years, although he may be released from his duties at any time by the Minister of the Interior. The task of the board is to draw up regulations and bylaws and take decisions pertaining to the following matters: administration of public property; municipal improvement or development, which includes the construction and maintenance of roads, bridges, viaducts, parks, gardens and airports, provision of public transport systems, and the distribution of water and electrical power; culture and assistance, which comprises the building and maintenance of hospitals, primary and secondary schools, libraries, archives, museums, gymnasiums, swimming pools and playing fields; public health, under which is included the treatment of drinking water, the establishment of laboratories, drainage facilities, cemeteries, abattoirs, fish markets, rat and mosquito control and the provision of public housing; police services, such as traffic control and inspection of buildings; and public supplies, which includes water, fairs and markets, and centres for the treatment, distribution and sale of milk.

Collaborating with the municipal authorities in such specialized matters as hygiene and art are committees appointed by the mayor and presided over by members of the board. In Lisbon and Opor

to, these committees are headed, not by board members, but by the directors of the municipal services, who are responsible to the board.

Both the mayor and his deputy are appointed by the central government, usually from among persons resident in the municipality, for a term of eight years, with re-appointment being possible. The mayor presides at meetings of the board and the council, for both of these bodies he plans the agenda and presents matters for discussion. He also prepares the annual budget and authorizes payments from municipal funds, prepares a yearly report on municipal finance and activities and submits the board's accounts to the Accounts Tribunal. As the legal representative of the municipality the mayor can make contracts and represent the municipality at law and elsewhere. He publishes the regulations and by-laws approved by the board, superintends municipal services and their staffs, deals with all correspondence and, in general, co-ordinates all municipal activity.

As the representative of the central government the mayor sees to the carrying out of that government's laws and regulations, replies to enquiries on economic or administrative matters and superintends parish administration. As the police authority of the municipality the mayor deals with local police activities including the registration of foreigners, order at public performances and meetings, the enforcement of sanitary and health regulations and the granting of various licences. In exceptional circumstances the mayor may make decisions which are within the competence of the board, providing that he submits such decisions to the board for its ratification. It should be noted, however, that in municipalities which are the chief town of a district or where the chief town has especial importance, police functions are not handled by the mayor, but by the district or section commander of the Public Safety Police.

Supervision of the activities of municipal boards as to legality and general interest are exercised by the Ministries of the Interior and Finance. The former is primarily concerned with the administrative aspects of the activities and the latter with the inspection and control of taxation and financial operations. When it is found that serious irregularities or omissions have occurred the Ministry of the Interior may use such measures of discipline as the dissolution of the municipal organs, which may or may not involve the dismissal of the mayor, in which case these organs are replaced by committees appointed by the central government. Such

occurrences, however, are rare. Some of the board's deliberations, namely those pertaining to health, traffic and loans, must receive prior approval of the central government before they can be put in to effect. All others may be revoked, altered or declared null and void on the grounds of illegality within a certain time specified by the Administrative Code. Appeals from these decisions by the central government may be made by the municipality to administrative legal disputes tribunals whose decisions are final. In certain cases, also, appeals against the decisions of the mayor may be made to the civil governor when such decisions have been taken in the mayor's capacity as police authority. Finally, all municipal accounts must be submitted to the Accounts Tribunal which must verify their legality.

3.1.2. SUB-MUNICIPAL UNITS (FREGUESIAS)

All Portuguese municipalities are divided into sub-municipal units. The executive organ of a village is the board which is composed of three members who are elected at four year intervals by the heads of the families registered in the parish. This group, in turn, appoints its own chairman, secretary and treasurer. Its powers consist of the following: establishing rates and taxes, approving a yearly budget prepared by the chairman, authorizing expenses from local funds, requesting financial help from the state in regard to water supply, cemeteries and highways, acquiring the necessary property and goods, and making contracts.

Certain of the board's deliberations must be submitted to the approval of the mayor for legality and conformity with the interests of the municipality. In the case of an adverse decision by the mayor on the legality of a matter, appeal may be made by the sub-municipal board to the district governor, and against that official's decision, to the competent administrative tribunal. In addition, sub-municipal accounts are also subject to the approval of the mayor.

In each sub-municipal unit there is an official who represents the municipality and who is directly responsible to the chairman of the municipal board by whom he is appointed and dismissed. His chief duties are to carry out those municipal orders and decisions which are communicated to him by the chairman of the municipal board; inform that same official of any irregularities he

may discover in the administration of the parish; collaborate with legal, police and health authorities; do all in his power to maintain order and safety, in regard to which he is empowered to take suitable measures on his own initiative in case of emergency; and to exercise any other functions which are entrusted to him by the chairman of the municipal board or which are conferred on him by law.

3.1.3. DISTRICTS (DISTRITOS)

The Portuguese district is an administrative branch of the central government. It is directed by the civil governor who is appointed by the Minister of the Interior and to whom he is immediately subordinate. His principal administrative duties are: to send to the respective ministries the requests, expositions and petitions handed into the governor's office; to transmit orders and instructions from the central government to the mayors; to help and to co-operate with the officials appointed to inspect the various administrative organs having their headquarters in the district; to approve the statutes of public utilities, cultural and recreational associations, etc., not approved by other authorities. As the police authority, the civil governor is responsible for the maintenance of order and public safety.

In cases of extreme urgency the civil governor may take all necessary administrative steps. All acts, however, which go beyond his normal powers must be submitted to the central government for confirmation. The governor may also be appointed to inspect and supervise any public service in the district regardless of under which ministry it operates. He then corresponds directly with the appropriate minister and carries out the transmitted orders and instructions.

3.2. THE EMERGENCE OF PORTUGUESE REGIONAL PLANNING

3.2.1. FROM HOMOGENEOUS TO PLANNING REGIONS

In this context, Portuguese regional development planning must be considered as a new dynamic process, the result of economic, social and technological changes which have necessitated the setting up of new structures. This necessity corresponds to new political, economic and social forces which particularly lend themselves to regional structures.

The region thus appears as an instrument for change within the existing Portuguese administrative system, which has to be adapted to social and economic development. For this reason a study of the regional phenomenon should be set in a dynamic perspective where the administrative system is faced with new requirements as result of innovation and change.

One of the most pressing of these requirements - especially in the actual stage of the Portuguese development - relates to economic and social development. There is a predominant concern with growth in modern society. The government apparatus is no longer organized only to guarantee order and justice, nor is it any longer enough for it to ensure the well-being of the people; it must be able effectively to promote the growth of the economy. National policies are now judged on this ability to maintain a sufficiently high rate of economic expansion, based on the development potential of the country.

Increasingly, however, attention is not being limited to the overall results of national development; these results are being accepted as satisfactory only if they concern the whole of the country, if each region is able to participate and to contribute in the national growth.

As realization of the problems of regional development is relatively recent in Portugal, its origins and the factors which have made it sharper over the last six years should be analyzed. This must be taken as an important aspect of the efficient comprehensiveness of regional development strategies and regionalization problems which will be analyzed later on.

Thus the question is to understand from what point of view are regional problems approached at present in national development and planning policies in Portugal.

Before dealing with this theme, it should be stressed that the concept of "region" can differ considerable from country to country and from one school of thought to another. This diversity is hardly surprising in Portugal, where the combination of natural, human, geographic, historic and ethnic factors have led to a regional differentiation which is one of the primary characteristics of this country.

It can be said that in Portugal the region is considered directly as a reality; indeed it can be seen to be gaining increasing public popularity as the spontaneous expression of a pressing need in the life and organization of modern society. Beyond this, however, it is very difficult to give a particular meaning to the idea of the region, as it must be recognized that there is a great diversity of situations which are difficult to assimilate with each other.

In the first place there are "homogeneous regions",⁽³⁷⁾ which have a common character determined by a particular type of landscape or based on cohesive human groupings. These include such natural regions as agricultural areas or certain industrial complexes and river basins. This classification includes regions of considerably different size, as in some cases subdivisions have to be grouped in order to attain the primary natural unit. The same applies to the human regions shaped in the course of history as a result of the establishment of traditional ties.

Secondly there are "polarized" or "functional" regions defined by the flow and the relations established between an urban pole and its zone of influence. In Portugal a whole series of regions can be defined as based on urban attraction by taking into account the populations and the functions of the towns and, in a last analysis, one can say that all of them are polarized by Lisbon and Porto regions.

Thirdly one must consider "administrative regions" which are the areas within which the public authorities exercise their powers. However arbitrary their boundaries may be, the administrative regions correspond to institutional realities which must be taken into account and whose alteration meets with increasing resistance according to the degree to which they are intended to be submitted into the regional development planning policy.

Finally one must consider "planning regions", deriving from the formulation of the Portuguese regional development policy which takes the multiplicity of these delimitations and criteria into account. However, in the Portuguese case, it was not possible to place those regions in the most favourable framework for regional planning, that which corresponds to administrative regional boundaries and in which the role of planning in guiding and stimulating development can be played in the best way.

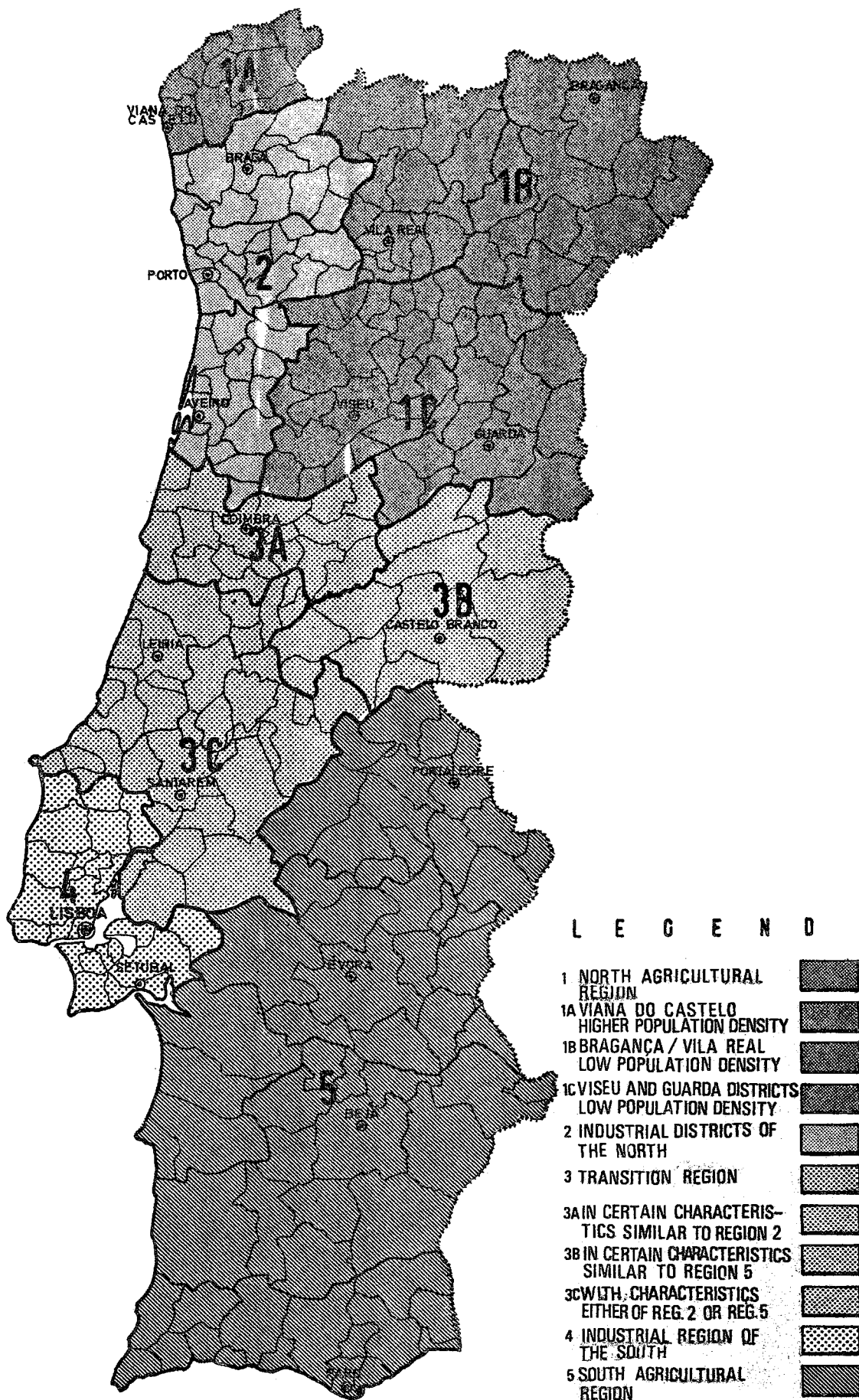
A difficult obstacle to the attainment of regional approach to Portuguese development and planning policy is the fact that the administrative boundaries do not coincide with the boundaries of socio-economic regions. The existing administrative apparatus has been found defective, and regional development planning was based in the delimitation of new "planning regions" more in line with the requirements of economic and social development.

3.2.2. THE GROWING PLACE OF THE REGION IN PORTUGUESE DEVELOPMENT PLANNING

I am sceptic enough not to believe that the existence of unavoidable problems is in itself sufficient to inspire public authorities to take positive action. Disaster is usually an essential condition. And I would suggest that, traditionally, in Portugal it has not been "regional problems" that have occupied the attention of public authorities but rather "problem-regions"⁽³⁸⁾ i.e. those areas in which purely regional problems have generated poverty, injustice or squalor on a scale that cannot be ignored with impunity.

In Portugal today, public authorities are wiser than they used to be. They pay attention even to incipient disasters. And the incipient disaster which threatens today can be called vividly "regional imbalance and an incredible emigration on a territorial scale". Wealth, manpower and resources seem to be moving rapidly to a "coastal" belt of regions - from Lisbon to Porto -, while the "peripheral" or inside regions of the territory continue to decline. The interesting thing is that, at the national and regional level, these problems of regional imbalance are nothing new. What is new is the transformation of a number of discrete national problems into a single problem of European dimensions. A change of quantity seems to have brought about a change of quality.

HOMOGENEOUS REGIONS ACCORDING TO THE DEMOGRAPHIC CRITERIA



Thus, the growing importance given to the region in Portuguese development policies is linked to a series of factors common to all European countries. But, in a survey of Portuguese regional development planning attention will above all be paid to the importance of factors connected with technological progress and economic and social development. From this point of view, the manifold changes in the actual Portuguese society point most emphatically to three major concerns dominating the regional movement: disparities in development between regions, rural and urban social planning and structures encouraging decentralization and participation.⁽³⁹⁾

3.2.2.1. DISPARITIES IN DEVELOPMENT BETWEEN REGIONS

Portuguese planners believe now there is a danger that imbalances between regions will become more marked as a result of the tendency for many activities to concentrate around poles (especially Lisbon and Porto) favoured by their geographic situation or their technological advance, political or financial influences, etc.

Migratory movements towards these poles of attraction begin in less favoured areas, such as the rural ones where a traditional form of agriculture still obtains. Over-specialized industrial regions, too, can meet with difficulties in converting and diversifying their activities. Again, some regions are unfavourably placed because of their position on the periphery of major economic nuclei, which, as a result of the tendency towards concentration, have become less and less numerous.

These disparities between regions appear in a variety of quantitative and above all qualitative forms, of which the most important are:

i) Imbalances in population and employment

The most acute problems arise in predominantly agricultural areas with high population density and a high natural population expansion rate, where the only means of absorbing surplus manpower made redundant by technical improvements in agriculture is to create employment in the secondary and tertiary sectors. Underemployment is also the result of the decline of mining or textile industries (the case of Covilhã) and the failure to make arrangements to ensure that the labour force is reemployed in other industries.

Existing regimes for promoting the regional decentralization of industry have two weaknesses. First, in their purpose of creating employment, they do not always discriminate between industries with a real future and those they may themselves soon go into decline. It is a widespread experience that certain new labour-intensive industries introduced into regions that have old-fashioned agriculture or declining heavy industry are already in danger of becoming out-moded.

Secondly, existing regimes tend to favour capital-intensive industry which in itself does not solve mass unemployment. The hope is that such industries will "induce" ancillary activities that are more labour-intensive. The scale of policies adequate to meet these problems is frightening. They would seem to require the promotion of whole complexes of industry simultaneously such as the proposed development pole of Sines. They also imply a new concept of industrial training that would ensure a more or less rational adaptation of the labour force to new technologies.

I do not need to spell out the intractable problems facing public authorities trying to introduce "permanent education" in regions that have not been hitherto the most eager to throw traditional attitudes out of the window. And furthermore, in spite of the fact that "permanent education" is a highly fashionable concept today, nowhere has the proof been given yet that adult individuals - particularly adult individuals socialized in economic depressed areas - can objectively undergo with success a recurrent process of professional readaptation. Of course one questions the realism of those views that favour pushing social dynamics to still growing rates almost ad infinitum. However, there can be little doubt that for present-day Portugal the capacity of manpower to develop better skills and adoptive attitudes constitutes a very primary problem.(40)

ii) Imbalance in living standards and conditions in urban amenities

Discrepancies in living standards need to be interpreted by reference to the economic and sociological features of each region, bearing in mind at the same time the qualitative features of the living conditions peculiar to each region (food, housing, etc.)

In any way, one must stress that what people need and want is something personal and specific - in brief they want the rich quality of life possible in large-scale urban civilisation.

This is not simply a matter of public works and town planning. It involves the complex social and cultural efforts that go to create vital civic identities of life.

I do not think it would be an exaggeration to say that some of the failure to induce industry to decentralise has been due to the absence of real urban overall condition in the less-favoured regions. It would seem therefore that the more traditional regimes for town and country planning need to be coordinated not only with economic regional policies. They also need to be amplified to include a whole range of measures of a social and cultural character. Again, I do not need to describe in detail the horror with which in Portugal most bureaucrats and even planners would greet the idea of subordinating their nicely calculated economic policies and infrastructure programs to the requirements of "culture".

iii) Imbalances in infrastructure

These are the easiest to assess by taking into account the degree to which such needs have been satisfied in the various sectors as:

- water and sanitation
- transport and communications, education, health etc.

One of the most delicate problems which Portuguese regional development policy must solve is the limits within which such disparities can be considered acceptable.

Also for this reason the advantages should be stressed of perfecting indicators by which to measure disparities between regions as well as determining and applying criteria for lessening these disparities.

3.2.2.2. PLANNING THE SOCIAL FRAMEWORK IN RURAL AND URBAN ENVIRONMENTS

The increasing role allotted to regions in Portugal is largely the result of a trend towards regional planning which has developed in Europe over the past twenty years or so. It was mainly at the regional level that means and methods assuring a rational use of space, geared to economic and social developments, were most often found lacking. The region is being considered more and more as the indispensable intermediary between the national authorities which draw up directives and the general outline for physical planning and the local authorities responsible for setting up and implementing the infrastructure and physical plans.

Without going into a detailed examination of the motivations of the Portuguese rural and urban social planning, some of the most important of these should nonetheless be mentioned.

Urbanization is a universal phenomenon which is accompanied by profound changes, both in developed and in developing countries. In Portugal it is closely linked to the growth of industrial activities and of the trade and service sector.

Industrialization is no longer the sole cause for the growth of urban complexes. The city now tends to be less a centre of production than a centre of exchange and interaction. It is the seat of multiple decision making, bodies of management and administration, of educational and training activities and a centre for human communications. The growth of the tertiary sector has spilled over the limit of services linked to industry to meet new needs for information, culture and leisure.

One of the primary aspects of this change has been the transformation of traditional urban networks. Whereas before many towns were almost on an equal footing with each other and performed more or less identical functions for small, near-by dependent areas, the development of secondary and tertiary activities has become concentrated in a smaller number of urban centres which exert

a far more widespread influence and stimulate the development of large regions through the intermediary of satellite towns. These urban centres, sometimes, referred to as a regional capital or me tropolis, are at the seat of complex service systems of regional interest (dissemination of new techniques, disposal of goods in outline markets, growth of financial services, transport systems allowing rapid interchange with surrounding areas, etc.)

Present-day urbanization is also characterized by the formation of urban areas or regions which in some cases already co ver a significant proportion of the national land surface (Lisbon and Porto areas). The physical layout and the political and admi nistrative organization of these urban areas are radically different from those of traditional towns. They, too, are regions clear ly distinguishable from other regions in the country's physical layout. Portuguese regional development planning has already developed some special planning schemes peculiar to those urban re gions. (41)

Rural planning has also come to be seen as one of the fundamental tasks of Portuguese regional planning. Progress in agri cultural technology has originated profound changes in rural districts with solidly rooted traditions. At the same time relations between town and country no longer retain their traditional balance. Rural areas are no more exclusively agricultural areas but become now places where city dwellers can relax and spend their lei sure time. As a result, there is a need to plan rural areas in such a way as to achieve a harmonious blending of the agricultural and non-agricultural worlds, to avoid wastage of land and above all to stop the aesthetic capital, which rural landscape represents, from being spoiled or destroyed.

Thus, preservation of nature and the planning of recrea tional areas become also new tasks belonging to Portuguese regional planning. In this sense, national parks have been created to protect fauna and flora and to establish recreational areas for urban populations. Similar preoccupations were applied to the planning of tourist areas.

The development of Portuguese countryside must therefore answer three main categories of questions:

- i) zoning of the territory into specialized non-agricultural areas, into areas of arable land and combi ned areas;

- ii) study of the minimum infrastructure to serve farms, including households;
- iii) choice of village-centres, their equipment and their links with the outside.

It is illusory to hope that economic considerations will suffice to suggest the synthesis that one could wish for. The problems of regional development cannot be solved without the rural population, and must not be solved to its detriment.

3.2.2.3. DECENTRALIZATION AND PARTICIPATION AT THE REGIONAL LEVEL

Finally Portuguese regional development policy gives rise to a problem linked with planning: decentralization. Should the various territorial units possess a certain autonomy vis à vis the central services? Those in favour of greater decentralization point out that this would correspond with the principles of democracy and the desire for efficiency. The greater the participation by those being administered, the better is the work accomplished by the administration. Opponents of decentralization believe it might endanger national development and central authority; in particular, the drawing up and implementation of plans at a decentralized level have an adverse effect on coherent planning.

Anyway it is already a general agreement that implementing regional planning policy demands strict administrative coordination. Operations for organizing and developing a region must not be handled from the limited angle of the interested sector or there will be the risk that the stimulating effect which has been forecasted will fail.

Rather, operations should process from an overall view of the development of the region, with human aspects as well as the results of economic calculations being taken into consideration. This is equally necessary in order to determine regional objectives and to carry out the projects: setting up new industries, creating a regional park, building a highway or a large residential complex are all examples of operations which must be undertaken with full consideration for the several relationships and interdependencies which characterize the economic and social life of a region.

This coordination is as important to the central level as it is to the local community. The region is precisely the medium level where interventions from authorities with larger or smaller territorial competences can best be coordinated - this is unquestionably accepted. This explains why Portuguese regional planning schemes are now leading to the creation of new institutional frameworks better suited to provide relais-points for integrative functions, in a society intending to maintain control over the growing network of its functional interdependencies.

3.3. THE REGIONALIZATION PROCESS IN PORTUGAL

Before a clear account can be given of the place and the role of ^{the} regional institutional framework in the Portuguese political and planning system the following points must be covered:

- the nature and the evolution of Portuguese planning;
- the social and political process through which the regional set-up has been progressively defined in the course of the past ten years;
- the nature and the mechanism of regional planning within the national planning structure, since it is around this planning function that the regional institutions have been constituted;
- the changes which the creation of this new administrative and "consultative" echelon has brought about in the traditional equilibrium in the relationships in Portugal between the central level and the regional authorities.

3.3.1. GENERAL TREND AND EVOLUTION OF PORTUGUESE PLANNING

First of all, it may be opportune to put this question: what is a development plan? In the Portuguese view, which is that of most Western countries where similar plans are in force, a development plan may be defined as a vast programme of action in which

there is joint participation of the State, public authorities and bodies and private initiative. Through it we seek to modify in a rational, coherent manner human and material resources available, official and private initiative and undertakings, with a view to intensify the growth in the country's wealth and to raise the standard of living of all Portuguese citizens.

It is thus a vast framework to guide economic and social activity, to attain given aims of expansion, have been deliberately laid down as targets to be reached. In this view a development plan is above all a statement of the collective will, in the sense that the whole nation should actively and consciously participate in building its own future. We say that a development plan should be the work of a whole nation because in both its structure and its execution the aim is to bring about the collaboration of all sectors and regions of national life.

The first attempt at planning of this kind came under the Law of Economic Reconstruction (Law n.º 1.914 of 24 May 1935). It was a fifteenyear programme, limited to a certain number of public investments which were believed to be of fundamental importance. The initial investment of capital was estimated at 6.500 million escudos, but the total investment made under this 1935 Law eventually reached to a total of about 14.000 millions. It brought the most significant advantages to the country in the sphere of basic infra structures.

The first Development Plan, in force between 1953 and 1958, sought for the first time to systematize the resources of the homeland and a joint coordinated survey was made of the most urgent needs for investment. The execution of the Plan far outstripped the estimates.

The Second Development Plan covered the six-year period 1959-1964. The scope of the planning was widened and planning methods were further improved. Although, like its predecessor, it was still mainly a plan of State investment and some large scale private projects, the conception of the Second Plan became in effect a real programme of economic policy, with certain fundamental aims: to accelerate the rate of growth of the national product, to raise the standard of living, to aid solution of labour problems, and to improve the balance of payments.

The Transitional Development Plan was approved by Law N.º 2,123 of 14 December 1964. While it maintained the concept that had inspired the policy begun in 1935, it opened a new phase in the process of national planning by carrying out the principle laid down in Decree-Law N.º 44652 of 27 October 1962, for the first time the Plan was conceived as an instrument of the overall planning of economic and social development throughout Portuguese territory, that is, as a vast framework to provide guidance for the whole development of the nation's economic and social life, both as regards the public sector and for private activities, although the latter were given only indications of how they might best contribute, in accordance with the former tradition and the text of the Constitution.

The conditions ruling during the drafting of this Plan led the Government to restrict it to a period of three years and to provide institutional bases to allow for the drafting and execution from 1968 onwards of a new development plan for a six-year period, of far wider horizons and ambitions.

The main aims laid down in the transitional Plan were acceleration of the rate of growth of the national product and a more balanced distribution of revenue and income. The priority investments specifically mentioned in the Plan for execution during the period under review totalled 34.789 m. The annual rate of growth of the national product during the three years was estimated at 6.1%, rather higher than for the second Plan, and the average percentage of increase in the formation of fixed assets for the same period at 8.1%. The expansion of private consumption, which is the best indicator of an improvement in the standard of living, was to go on at rate of 5.2% in each of the three years.

The Third Development Plan also covered a six-year period, and thus carried on the large-scale type of planning that the First and Second Plans had ushered in.

A considerable contribution to this fact has been made by the experience gained in executing the Transitional Plan, by its application of new techniques and methods of planning, by the improvements made in the meantime in the statistical measurement of certain basic economic data, and ^{by} the improvements made in the central office (and in some departmental services) of the planning authority. The structure and working methods employed in drawing up the Development Plan, characteristics and its overall purposes, will be summed up below.

By order of 23 July 1965 the Council of Ministers for Economic Affairs laid down the principles to be adopted in the preparations for the Third Plan. In accordance with these guidelines, one of the first tasks was to reorganize the central planning office so that it could carry out the increasingly complex tasks put to it. The result of this change was a widening of the scope and powers of the Interministerial Committee for Economic Planning and Integration and its working parties, and also an improvement in the structure and means of the Technical Secretariat of the Prime Minister's Office.

The next step was the setting up of the working Parties of the Interministerial Committee, their work being to analyze the several sectors of activity and to study problems of economic planning and integration in their specific spheres of work. The intention was to make the working Parties representative of all the major sectors of economic activity and social life and that ^{to ensure} the representatives of these activities inside the Working Parties should gain the widest possible cooperation of the interests involved. This applied both to the public sector, through departments and bodies directly or indirectly connected with the various activities, and to the private sector. In the latter case, whenever possible, preference was given to the presence of representatives of both entrepreneurs and workers, as well as the users of the goods and services produced.

The result was the constitution of 19 Working Parties on a permanent basis and a non-permanent/Party for regional planning studies. To promote wider treatment of the problems involved, most of the working Parties were split into sub-groups and sub-committees, which were given the task of analysing given sub-sectors or specialized fields. Simultaneously, the problems affecting the improvement and modernization of statistical coverage in the Portuguese territory were tackled, above all because of its fundamental significance for planning.

This first phase of the III Plan might be called assembling the infrastructure of the Plan. Once it was drafted a start was made on the actual work of planning, through the sending to the Working Parties of questionnaires for the purpose of collecting information of a basic nature and also critical appraisals of the economic and social panorama of the country. In this way, an attempt was made to obtain data necessary for a preliminary diagnosis of the main problems affecting the various sectors of activity, to enable the Technical Secretariat to draft a first report on ove

rall programming, so as to formulate the major guidelines of the development of the Portuguese economy during the period of the new Plan.

The next phase was by necessity the longest. It was filled with a large number of meetings of the various Parties, sub-groups and sub-committees and by the drafting of the subsequent reports. In both meetings and draftings the intention was that the differing points of view and currents of opinion of the representatives of both the public and the private sectors might be extensively debated and so that the reports might faithfully reflect the preparatory discussions and to provide a vast source of information and enlightenment for the Government, so that it could the better take those decisions and make those choices which were best suited for the preparation of the draft Plan.

So as to accompany the work of the working Parties closely, to cast light on certain aspects of a methodological nature and to maintain the coordination in the work being done, there were successive meetings throughout this phase between the members of the Government directly concerned in the various sectors and fields of research and the chairmen and spokesmen of the Working Parties and sub-committees under the chairmanship of the Minister responsible for the co-ordination of planning.

When the Parties' reports had been presented and examined by the Interministerial Committee, the third phase began. During it, in close collaboration with the chairmen and spokesmen, the Technical Secretariat of the Prime Minister's Office organized a first draft of the various materials for each chapter of the Plan. Appraisal of these preliminary drafts was also carried out in the course of working meetings, with the same representation of the Government, the Working Parties and the planning department. The result was the drafting of new versions of the chapters which, in their turn, were again examined in a second series of meetings by the same persons.

The fourth and final phase was devoted to general aspects of the problem and above all to consideration of the compatibility between the investment forecasts by the various sectors and the overall financing resources. The necessary adjustments were made at a further series of meetings and here the Ministry of Finance was represented. On the basis of this last review, the drafts of the various chapters of the Plan were re-written for appraisal by the Council of Ministers for Economic Affairs.

After this brief summary of the way in which the preparatory work of the III Plan was carried out, the time has now come to summarize the fundamental aims of the Third Plan. They are the following:

- i) Acceleration of the rate of growth of the national product;
- ii) A more equitable distribution of income and revenue;
- iii) Progressive correction of regional imbalances in development.

This order is not arbitrary but reflects the order that in present circumstances the Government consider should be given to these aims, considered as the means for attaining higher aims. The assumption was that the first objective, the acceleration of the rate of growth of the national product, should have preference over the other two, since it decisively affects them, in the sense that no more wide and equitable distribution of income can be made, nor the development of unfavoured regions promoted, as long as the sources of production do not enable the country to dispose of more goods available for a better distribution, both personal and regional, of the wealth created. This is why it has been put first, as the basic aim of all planning, to intensify the growth of the national product as far as possible.

Once this primary aim is attained, the second objective, the more equitable distribution of the results of production, reflects the eminently human and social purposes of the Plan. An economic development policy that should lead to a wider, juster share of all Portuguese in the fruits of progress would not correspond to the basic principles of our legal system nor to the deeply felt imperatives of the national conscience. Only in this way could it fulfil the constitutional precept that lays down that the economic organization of the nation "should achieve maximum production and wealth that is socially useful" (art. 39 of the Political Constitution).

The third major aim of the Plan refers to the correction of regional disparities in development. This is "part of the policy of the harmonious growth of the Portuguese society, which is an essential principle of planning itself" using the terminology of the Plan. But, as we have shown, regional promotion too must be subordinated to the prime aim of the Plan, the acceleration of the growth

of the national product, since this is the fundamental level of the progressive increase of the economic and social conditions of zones enjoying a lower degree of development.

Inclusion of the policy of regional development among the central purposes of the III Plan appears thus as a logical extension of the problem, as is seen from various articles of legislation and was allowed for in the Transitional Plan. There, in fact, was stated the intention the "the systematic, decided consideration of regional balance" should be taken into account in the Third Development Plan. In the sequence this Plan included a chapter especially devoted to the problems of regional planning.

3.3.2. THE BASIS OF THE PORTUGUESE REGIONAL PLANNING

Since 1969, the year in which a regional reform defined the concept of a "region", Portugal has acquired a certain experience with regard to regionalization. This experiment is now coming to a crucial point and to a generalized discussion (both inside the governmental "apparatus", and through the public opinion), since 1974 is to see the establishment of a new "Development Plan" (the IV-th) for which is required to dispose of efficient regional structures which can be able to guaranty the adequate implementation of the regional development policy.

We shall endeavour here to provide an initial assessment of the functioning of the 1969 institutions during the past four years; this assessment will be based on a sociological investigation which we have carried out ourselves into the functioning of these institutions in one "planning region".(42)

The regional measures of 11th March 1969, according to the orientations expressed in the Third Development Plan, were intended to strengthen the regional echelon in the Portuguese planning and administrative structure between the two traditional levels formed by the central government and the district, through the creation of six planning regions (43) and relative "Regional Planning Commission".

These regional measures were a central government decision resulting from a series of compromises between the various ministries. However, beyond these compromises its essential objective

was to define a framework better adapted for awareness, decision and action in regional economic development matters. The necessity of introducing greater rationality in the planning, location and rentability returns of public investment and projects benefitting from state financial assistance (which constitutes one of the essential elements of a regional development policy) was originally the factor which started and even precipitated the execution of the present regional measures.

The realization of this necessity stemmed from the growth of a desire for coherence and a logical pattern in the distribution of State assistance or intervention in order to avoid the sprinkling resulting from multiple interventions on the part of various Lisbon-based ministries.

It was during the three preceding years, in the period of the preparation of the Third Plan, that regional life was progressively accepted and "structured"; the "Secretariado Técnico da Presidência do Conselho"⁽⁴⁴⁾ then decided to propose the creation of a regional level of planning not only with regards to the economic future of the regions but also with respect to the State's public investment programmes at the local level. The requirements of development and the internal necessities of planning were the reasons for this regional consultation; the central problem appeared in fact to be the finding of the best possible indicators not only of the sectorial needs but of geographical ones as well

Thus, in its initial phase, the regionalization of Portuguese planning appeared as an attempt to reform and harmonize the diverse institutional structures of the various government agencies. Prior to 1969, each ministry typically established its regional operations according to criteria of its own choosing, without reference to the regional structure of the operations of other ministries. In consequence, some larger districtal cities were centers for varying numbers of municipalities. On the other hand, some principal cities were dependent on as many as Lisbon, Porto and Coimbra, which obliged local and regional authorities to go from one to another depending on the problem at hand. As a result, it was practically impossible to carry out studies or implement measures which required comprehensive statistical documentation.

The regions seemed to provide better bases for analysis than did the "districts". The steps then taken were planned within the framework of regional administrative action as defined in advance by the "Secretariado Técnico".⁽⁴⁵⁾ In this latent liaison bet-

ween the "Secretariado Técnico" and the different regional entities (socio-economic-political) one can discern an initial reason and a certain logic in regional experimentation.

However, in such an approach, the strengthening of the institutional framework was not, and moreover was apparently not felt to be a necessity. One could in fact quite easily imagine these planning tasks being continued through direct liaisons, without any rigid administrative infrastructure between the "Secretariado Técnico" and its regional partners, depending on the competence and the capacity for innovation of the latter.

However, in order to satisfy the objectives of regional development clarified in this manner, and to prevent them remaining dead letters, the Plan authorities did not have any machinery or instruments other than that provided by public investments and more particularly the investments administered by the different ministries. Now, for these investments decisions to conform more with the planning norms and to fit in better with a more logical overall economic pattern, the need for reform of the structures - or at least changes in the administrative and planning apparatus - became increasingly necessary. To avoid "sprinkling" of public funds it was not enough just to introduce new methods into the organizational bodies concerned (introduction of profitability calculations, sense of foresight etc.); it became clear that some thing had to be done about the decision structures themselves. Two complementary requirements became apparent, among others:

- i) firstly, greater decentralization of decisions within the administrative and planning apparatus, and
- ii) secondly, horizontal co-ordination in order to break up the vertical compartmentalizations and to create in that way the conditions for a better synthesis capable of inspiring better decisions.

These requirements were not, of course, formulated for the first time,⁽⁴⁶⁾ but they were rendered all the more urgent by the growing volume of State intervention in regional development matters.

Thus, the III Development Plan for the period 1968-1973 constituted a significant phase in the way proceeded by regional planning in Portugal. In fact, before that, there were some unsuccessful attempts to orientate the Portuguese development policy according to regional criteria and to establish regional bodies suitable for improving regional policy and development.

The previous plan also referred to the need of establishing regional development policies in order to attain a more balanced growth over the national space. However, this intention did not have any concrete translation into comprehensive schemes of regional development. So far, one could observe that the decisions concerning the geographic allocation of resources have been mostly undertaken by considering the investment projects from an individual point of view. On the other hand, programmes of action for some specific areas (like hydro-engineering works in Mondego and Alentejo) have been carried out, in spite of the lack of their integration into a general strategy established for the whole country to frame regional development according to priorities in space and time.

With the Third Development Plan the regional perspective was definitely introduced into the process of planning, so that "the gradual correction of regional unbalances" appears as one of the main objectives adopted by the plan, in parallel with the growth of the national product and a better distribution of income.

The necessity of incorporating regional criteria into the general policy formulation was strongly demonstrated by carrying out several regional analyses, the synthesis of which was included in the text of the National Plan. Various indicators were then used to throw light into deep regional disparities between individual districts, for instance, per capita income, product in secondary activities, levels of productivity (both in agriculture and industry), as well as distribution of population within the country, migration and social indicators of the living standard, were some of these indicators leading to that convergent conclusion.

At the same time it was possible to specify the general objective of the gradual correction of regional unbalances into three other derived regional aims and to formulate some orientations for their attainment. Thus, the balance of the urban network, the increase of industry and services in a deconcentrated manner and the specialization of regional agriculture were stated as concrete objectives with regard to regional development and planning.

For planning purposes regions were also delineated, the reconciliation of several criteria being used. In this way polarized areas were determined and potential polarization considered, too, in connection with the need to compensate the excessive power of influence of Lisbon and Porto conurbations; minimum demographic size for each region and the economic structure, either in terms of homogeneity or complementarity, were taken into account, as well.

The next main step was related to the characterization of each planning region, and respective relevant potentialities for development were also estimated and pointed out in the plan. In fact, this was essential for establishing general planning guidelines for individual regions.

The plan also foresaw the creation of regional bodies for planning purposes and stated a set of regional policy measures to be implemented during the period of its execution.

3.3.3. THE ORGANIZATION OF THE 1969 REGIONAL REFORM

The regional reform of the 11th March 1969 was designed to put up the Region as a territorial unit, and to make of it a planning level of a consultative nature to assist with the planning of public investments in the wider context of the national plan.

The 1969 regional measures were accordingly made up of three elements:

- a reorganization of the territorial structures in a wider framework - creation of planning regions
- the creation of a new consultative system
- the preparation of a general report on the organization of
- the territory ("ordenamento do território").

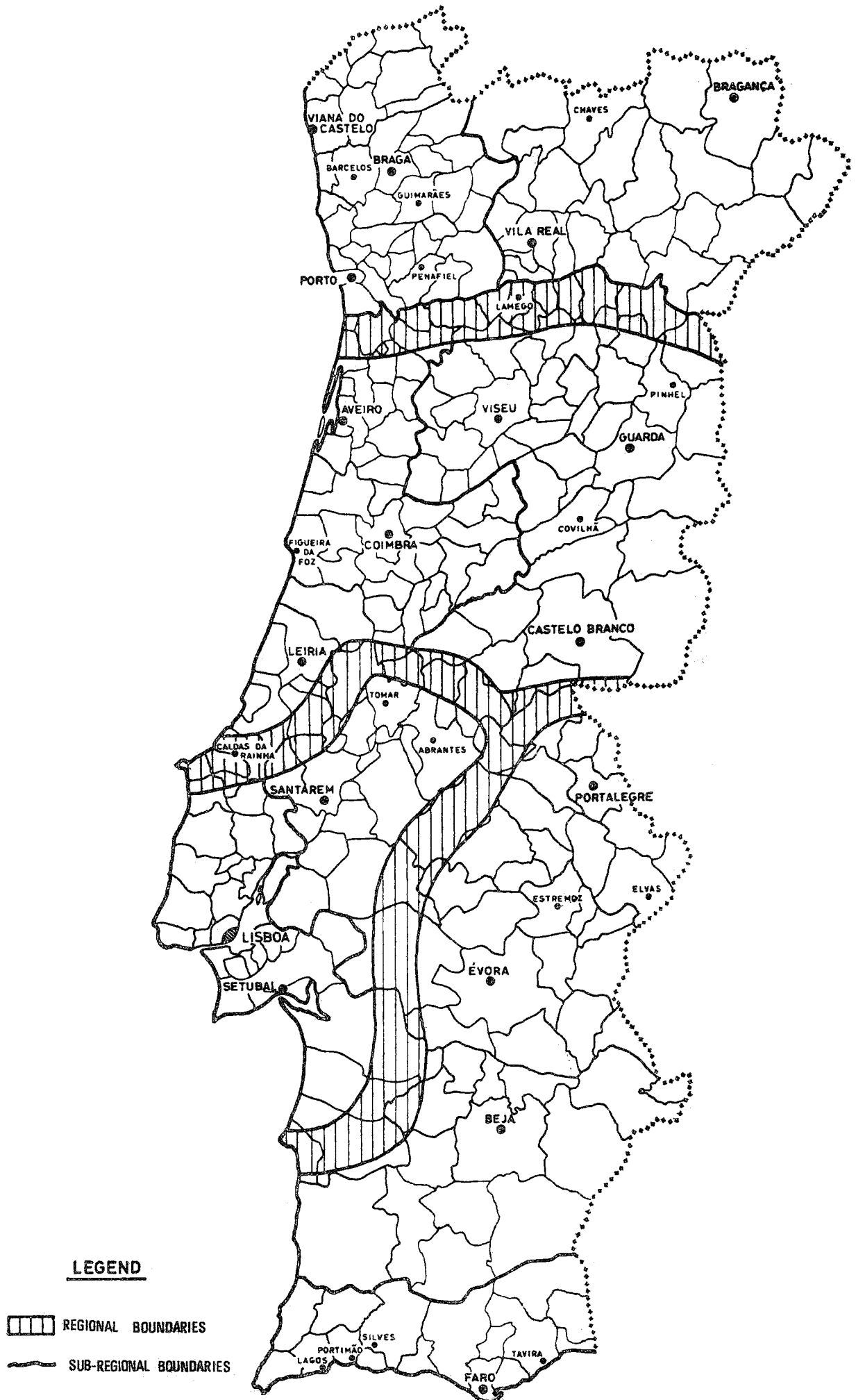
3.3.3.1. THE REORGANIZATION OF THE TERRITORIAL STRUCTURES

An examination of the criteria adopted in arriving at the regions reveals that the Portuguese regional policy has sought a compromise between the homogeneous region and the polarized region (according to the concept of complementarity). This compromise has yielded a regional arrangement based on the following criteria:

- a. Establishment of the Portuguese population map (birth-rate, emigration, working population, densely populated areas, etc.);
- b. Establishment of the infrastructure maps, especially the map of major lines of communication);
- c. Establishment of the map of poles of attraction with a definition of their areas of influence. This might lead to the necessity to have a counterwei-ght to Lisbon's and Porto's influence, especially through two regional capitals - Coimbra and Faro (or Évora). These cities would need to be decision-making centres, planning and information centres, and the centres of specialized services;
- d. Establishment of the map of zones of industrial redevelopment;
- e. Establishing of the map of areas calling for prio-rity development in the national interest;
- f. Establishment of the map of rural and mineral re-sources;
- g. Consideration of the natural features of the coun-try: mountainous areas, river valleys, natural de-marcation lines, etc.;
- h. Finally, for reasons of an easier plan execution, a geographical compromise had to be achieved with the administrative division of the country.

These criteria have led to the division of continental Portugal into 4 planning regions:

1. North region: having Porto as the regional capital and including the districts of Porto, Braga, Viana do Castelo, Vila Real e Bragança.
2. Centre or Middle Region: having Coimbra as the re-gional capital and including the districts of Aveiro, Coimbra, Leiria, Viseu, Guarda e Castelo Branco.



3. Lisbon Region: having Lisbon as the regional capital and including the districts of Lisbon, Setúbal e Santarém.
4. South Region: having Évora as the regional capital and including the districts of Portalegre, Évora, Beja e Faro.

There certainly has been no lack of criticism concerning the delimitation of these regions, although the necessity for some reform of this nature was never denied by anyone seriously interested in problems of regional policy. On the one hand, of course, it is not feasible to create too many regions, since the entities involved would be too small to have any meaningful claim to economic and decision-making efficiency.⁽⁴⁷⁾ On the other hand, it would be desirable to guarantee a complementarity, inside the possible planning regions, between favoured and unfavoured areas, either in terms of human resources (population) either in terms of economic resources. Furthermore, others emphasize the need to harmonize the delimitation of Portuguese planning regions with those which would be most feasible within the framework of a coordinated regional policy between Portugal and Spain in the context of the Common market. The position of many European minded persons in Portugal is that the Portuguese government should delimit regions in line with an international perspective so that the present territorial reorganization will not be upset in the future by another geographical division of a supranational origin. Anyway there is a general agreement that the creation in Portugal of four planning regions tried to guarant, at least, the two first requirements.

Therefore, in spite of these diverse objections (all of which have a great deal of merit) to ^{the} present regional divisions, major revisions do not seem to be feasible at the present. The pragmatic approach set forth in a report prepared recently by the Central Planning Agency maintains that whatever the conceptual difficulties, "it seems premature to modify the present number of program regions during the elaboration of the Fourth Plan, since Portuguese regional planning experience has scarcely begun. However, the present organization must be considered primarily as an experiment whose framework can be modified according to the results it gives."⁽⁴⁸⁾ Meanwhile, of course, maximum cooperation should be encouraged where two or more regions have an obvious ^{mutual} affinity, so that any possible regroupment may be carried out with a minimum of friction. A certain amount of spontaneous cooperation has in fact already been initiated. For example, officials from the North and the Center Planning Regions have initiated steps to define a common program for the development of the Douro Valley.

3.3.3.2 THE CREATION OF A NEW CONSULTATIVE SYSTEM

The President of Regional Planning Commission assumes the responsibilities of the coordinating at the head of each region. In this way, he will ^{have} a considerable level of intervention in matters relating to the government's policy concerning the development of the region for which he is responsible. The President of Regional Planning Commission shall animate and supervise the activity of the region, the heads of services and the directors of public institutions and mixed bodies.

The Presidents of Regional Planning Commissions are directly chosen by the Prime Minister.

The Regional Planning Commission is composed by one or two personalities of each district, chosen by the Presidents of Districtal Boards acting in a region and is presided by the President of Regional Planning Commission, who, on the other hand, will provide regular meetings of the Commission.

The Regional Planning Commission shall be required to issue recommendations on questions relating to the formulation and implementation of economic and social development and planning matters in the region concerned. To this end it shall in particular be consulted:

- i) on the regional aspects of the national economic and social development plan within the framework of the general guidelines laid down by the public authorities;
- ii) on the possible regional orientation reports provided by the President of the Regional Planning Commission.

Assuming that planning is a process of decision-making, the nature and functions of those commission had to reflect the general system in which decisions are made. So, because of a high degree of political-administrative centralization, Regional Commissions have now predominantly consultative functions aiming at improving the whole planning system and decision-making process at the central level by furnishing upwards regional proposals and information feedback conducive for an adaptation of national policies to the specific conditions and interests of each region. Then, this is also meant to provide for a better achievement of the national socio-economic objectives.

Thus, a Regional Planning Commission is accordingly a consultative body; it has no budget for development actions (owning a budget only for their own expenditures) and while the President of the Regional Planning Commission is required to consult the Commission he is empowered to disregard its recommendations. It is moreover the President who draws up the agenda and fixes the dates for its sessions, as well as arranging for the prior examination of the dossiers submitted to it.

Its make-up and the rules under which it has to operate make the Regional Commissions quite an original structure in the local regional political and administrative system. While it is less than an assembly (this comparison becomes even ridiculous), it is nevertheless more than just an administrative or bureaucratic committee. It should also be added that the meetings of the Regional Commissions are not public but in certain cases a short summary has been provided to the newspapers in order to inform the public on the chief points on which the Commission has been able to reach a consensus.

On the other hand (downwards) regional planning agencies are also committed to bring about the co-ordination of regional policies and activities. In this sense, insofar as they depend on the prime-minister, it seems to be possible to ascertain coordination of regional executing agencies belonging to the central government and to attain a better cooperation of the local authorities in the process of development. One could still add that this experience may be the first step to accomplish deconcentration and/or decentralization of decision-making power from the central level to lower levels.

Although one could observe that what has been accepted by the Government is below the desirable state of affairs (at least according to ideas within the central planning agency), we can, in short, argue that the existing bodies are flexible enough to perform in a certain extent the following functions:

- a consultative function to the central government;
- building up gradually an intermediate level of decision-making (regional level); and
- drawing up guidelines for framing the activities of the local authorities for an incorporation into the orientations of the national plan.

Finally, due mention must also be made of the working groups organized by the Presidents of Regional Planning Commissions to assist them in the preparation of the regional orientation reports and regarding also the regional incidence of the Plan. The composition of the working groups will comprise either civil servants or private representatives.

There are three obligatory working groups in each region: Agriculture, Industry and Infrastructures. It is possible to create other working groups charged with different matters.

3.3.3.3. THE REPORT ON "ORDENAMENTO DO TERRITÓRIO" POLICY

The elaboration of the report on the spatial organization of the country was a direct consequence of the work which had been carried out during the preparation of the plan. The existing structure of the spatial system was taken into consideration again by bringing about additional studies on the subject.

On the other hand, an analysis was carried out to examine the influence of new factors conducing for change, like the technological evolution and the progress of the communication and information means, which have greatly ^{influenced} the increase both of the internal and the external migrations. Four hypotheses about population were considered with regard to different levels of internal and external migrations estimates, and their respective impacts on the distribution of population among districts were determined.

The regional planning orientations included in the plan - inasfar as they had been politically approved - were taken into account. Also regional potentialities for development were a main starting-point. Actually, it was assumed that regional development should be based upon rational criteria leading to an equilibrium between the distribution of people within the country and the real capacity of the different areas to settle them.

Then a general strategy for organizing the spatial system of the whole country was established in three main steps. Firstly, specialized reports were elaborated on partial field to formulate options concerned with the future urban hierarchy, the location of industrial plants and the ordering of the rural space. Secondly, the superposition of all these partial proposals was made in order to obtain a general framework for organizing a rational structure

of the socio-economic space according to different potentials for development. Lastly, new versions were carried out in the mentioned partial fields with a view to adjust them to the general options taken in the global strategy.

The report on "ordenamento do território" policy resulted in proposals concerning a general framework of a long-run character which included the fundamental options for re-organizing structurally the spatial system of the country towards national integration. The report also provided specific options related to the hierarchy of centres of the urban network, the build-up of industrial growth poles and the implantation of industrial estates, the improvement of selected rural areas and central places serving them, and the locational aspects of the main infrastructures.

In addition it was proposed that the work should be continued in separate working groups having the task of defining the measures which ought to be adopted in order to carry out a comprehensive set of regional policies according to criteria derived from the previous work.

3.3.4. THE PROCEDURE FOR THE REGIONALIZATION OF THE FOURTH PLAN (1974-1979)

The institutional framework traced out in this way by the central authorities was mainly oriented - because of the delay in its launching - towards the regionalization of the next development Plan - the IV Development Plan. However, the procedure employed for this purpose introduced a second type of constraint for the regional echelon which complemented or reinforced the first set of institutions. To understand the rules governing co-ordination it is therefore necessary to analyse the mechanisms brought into play.

The methods of operation and the role which were attributed to the regional echelons can be defined by two sets of requirements: the first is connected with the drawing up of the regional orientation reports while the second¹ related to the preparation of the regional section of the Plan; we shall endeavour to analyse the working methods laid down for the regional bodies on the basis of these requirements.

3.3.4.1. PREPARATION OF THE REGIONAL ORIENTATION REPORTS

It was only in the first half of 1972⁽⁴⁹⁾ that the Presidents of Regional Planning Commissions were required to draw up orientation reports on the development of their regions. These reports had to be in three parts:

- a) the first part was to relate to the long-term development orientations of the region and was meant to be to a certain extent the "reactions" of the region to the approved recommendations of the national policy of "ordenamento do território". To this end, the Presidents of Regional Commissions have provided the necessary studies.

A degree of caution was recommended by the Technical Secretariat with regard to the utilization of the "ordenamento do território" reports: "In order to avoid certain provisional hypotheses set out in these documents - whether backed by figures or not - sparking of multiple controversies right from this moment, it is advisable that these studies should not be publicized outside the groups of experts responsible for examining them" (recommendation of the Technical Secretariat).

This was the general framework in which, with the assistance of other studies available locally, the regional bodies had to sketch out the broad lines of the future for their regions in the following fields: long-term population forecasts, rural development, urban equipment and services, development of communications, etc.

- b) The second part had to be devoted to the economic development prospects for the period covered by the Fourth Plan. The essential feature here was the development situation for the period 1974-1979.

As with the first part, what was really called for, were the "reactions" of the regions to the prospects outlined by Lisbon, and in particular by the I.N.E. (Statistic Office) with the object of correcting and complementing these by their own forecasts.

- c) The third part was to deal with the public investment studies. Data on individual operations were not required, but rather "reflections" regarding the chief priorities for the region and the indicators and criteria which were most pertinent for the analysis of the needs and the subsequent guidance for specific operations.

This helps to reveal the main concerns of the Technical Secretariat:

- i) homogeneization of the work of the different planning regions;
- ii) linking of their work to the broad guidelines of national policy;
- iii) avoiding "competition" for assistance and demagogy at the regional level.

A recommendation was made in order that the work carried out should be kept at the technical level, avoiding the raising of controversies or the taking up of positions which would be premature at this stage in the preparation of the Fourth Plan.

The Technical Secretariat awaited the reactions and reflections of the regions on the broad lines laid down at the national level, as regards both development matters and employment. It would not be oversimplifying the position to state that it viewed this first phase of the regional work as a run-up so to speak of the real work ^{that} was to follow. The object sought appears to have been a dual one: fixing more precisely the regional application of certain national forecasts and, on this occasion, providing at the regional level of a degree of experience in co-ordination.

These regional reports have been prepared in a more or less similar manner. A first part given a description of historical, geographic, infrastructure, and resource characteristics of the region. Another section as devoted to demographic factors, including projections of future trends. Then, the general strengths and weaknesses of the region are set forth. Finally, orientations are proposed for ameliorating the weaknesses and building on existing strong points.

Unfortunately, these regional programs have tended to be

programs in name only, since for the most part they constitute inventories of what existed in a given region at a given time. Moreover, as to future projections, orders of priority generally are not specified and modes of finance are at best only vaguely hinted.

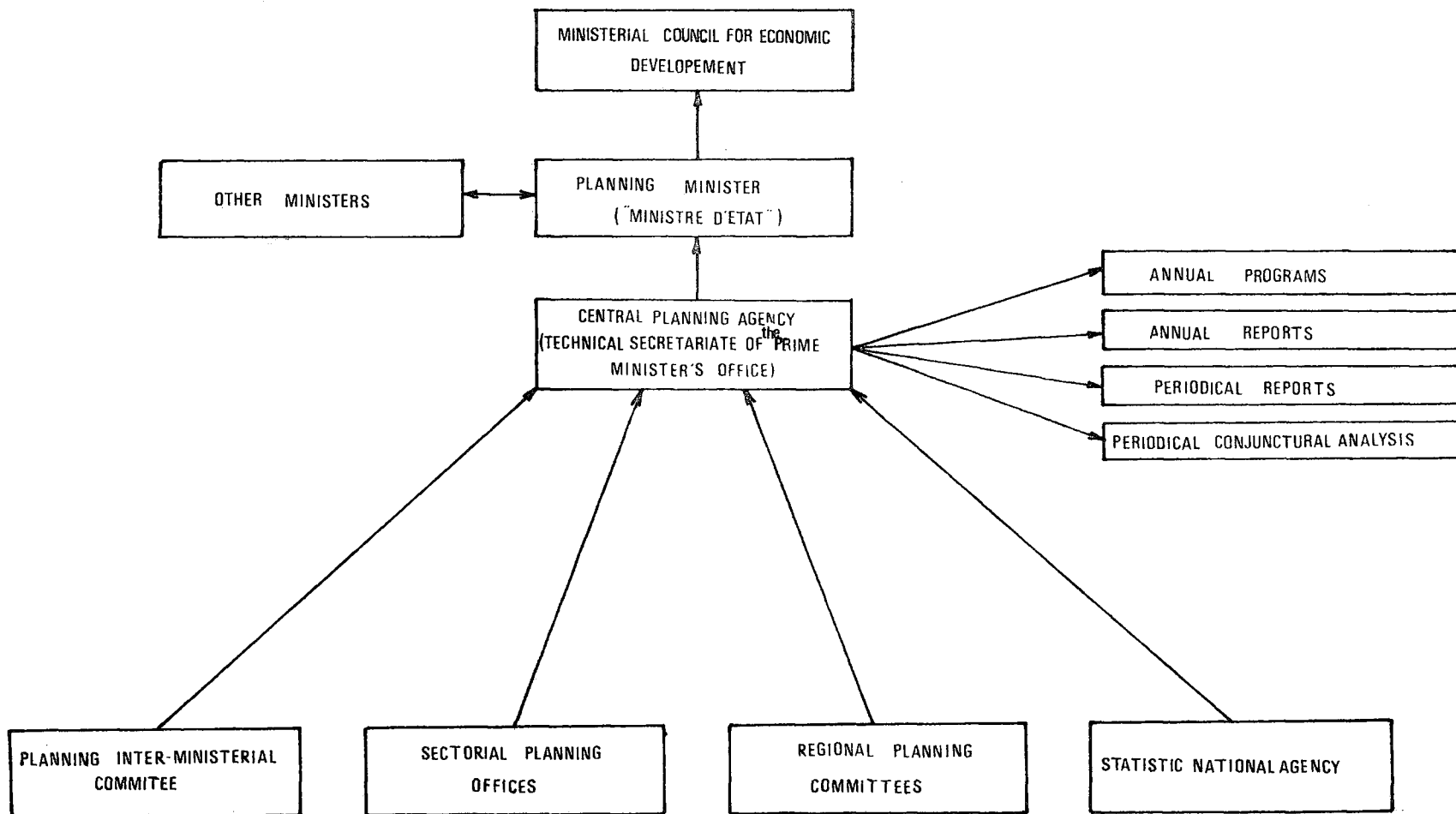
On the other hand, it appears that the elaboration of regional programs was hindered by a lack of adequate information among officials who should have been actively involved in this. It was pointed out, namely by sectorial planners, that they had not been given firm directions on how to proceed, and that consistent projects of the planning regions had not even been prepared. Regional programs which had been more consistently prepared by some regions were not made available as guides to other region, and rulings concerning regional coordination were all but ignored.

One must notice also the prevalence of indifference, in comprehension, refusal to cooperate, and even ill will which characterized the resistance of traditional structures to present development needs. It was strongly inferred that much of the difficulty resulted from the continued habit of each ministry to think of its mission only in the vertical terms of its own particular hierarchy. Each high official received instructions directly from his Lisbon ministry, and provisions to coordinate the disparate efforts of varying regional government bodies were wholly inadequate.

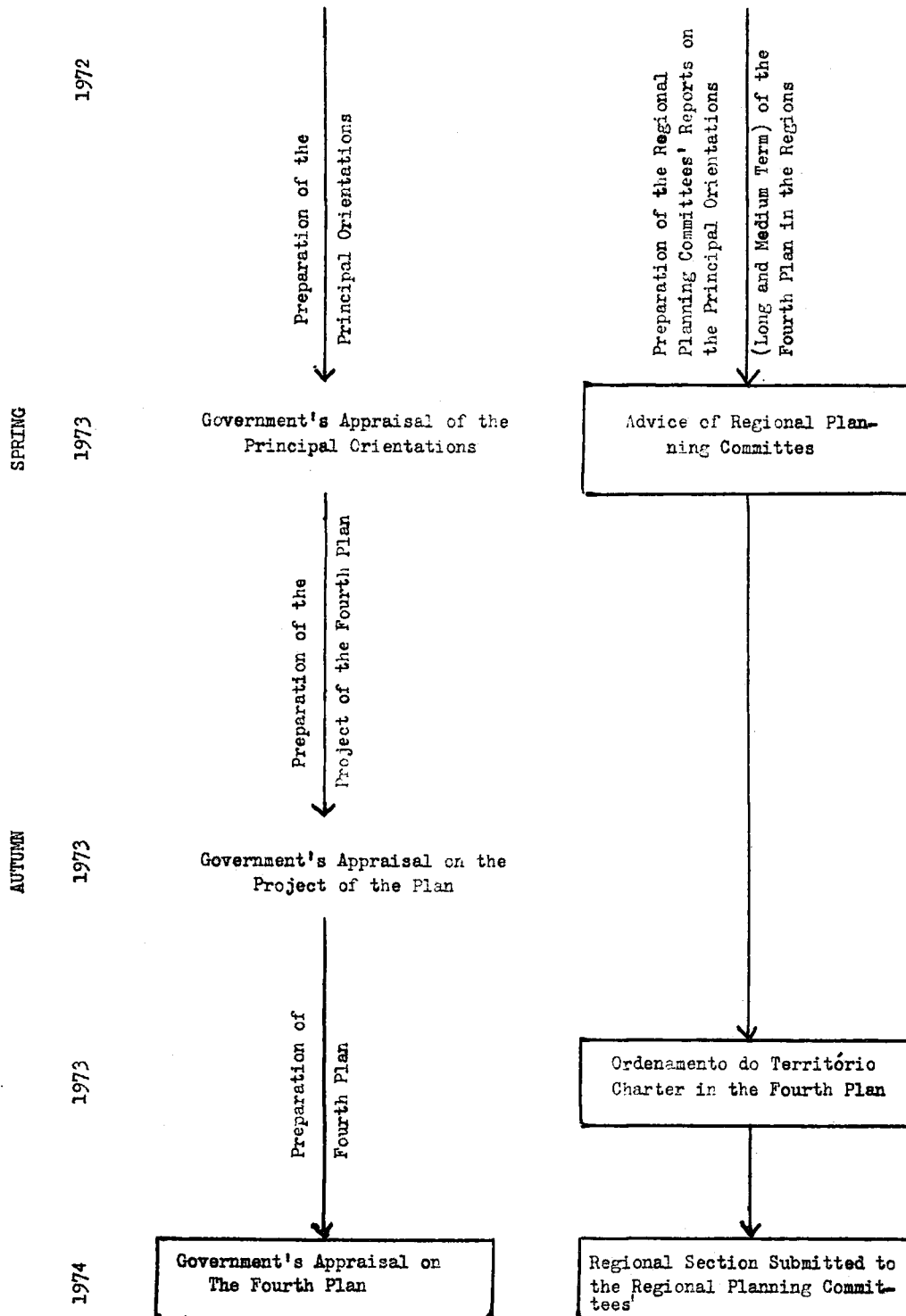
Yet another obstacle to the elaboration of the plans has been a tendency for hostilities to develop between subregions of given planning regions. For example, during preliminary discussions for the preparation of the program for North Planning Region, local authorities, technicians and collaborators were more disposed to think in terms of two regions, one an inland sub-region (including the districts of Vila Real and Bragança), and the other a coastland region (including the districts of Porto, Braga and Viana do Castelo). Some reports by representatives from the former area hold that the whole notion of discussing a plan for overall planning region was wrong because it was by no means a unified region, since the "problems of the northeastern area are distinct and call for their own separate solutions".

Human misunderstanding and obstinacy would be present under the best of practical circumstances. In this instance, however, much of the difficulty lies in the nature of the regional programmes themselves. Indeed, for any regional act to have value as a juridical command it must be unequivocal and it must go beyond a

PLANNING APPARATUS



PREPARATION OF THE FOURTH PLAN



simple sketch concerning orientations which can be variously interpreted; it must specify conditions (form, time, place) for its realization, on the one hand, and the person to whom its injunctions are addressed, on the other. Otherwise the responsibility for its execution or the lack of it cannot be exactly determined. This has been the case for the regional programmes, whose institutional and juridical scope has been purely indicative.

Thus, even though the approval of a regional program requires that all public regional bodies cooperate in its execution, and that each conforms to it concerning its operations in the region, the programs are badly provided with practical means of execution, and consequently they have in fact only a rather limited influence on the conduct of the regional policy of the government. Since this was generally felt, it was not surprising that public opinion, as well as the activities of officials who were, or should have been, directly engaged in formulating and executing the programmes were characterized by considerable scepticism.

However, despite the many shortcomings involved in the creation of the various planning regions and their respective programmes, the experience has not been without value. The very existence of planning regions has represented an important step in directing attention toward problems of rational spatial resource distribution. At the national level, the Central Planning Agency, as well as the different ministries have been confronted with the need for horizontal consultation, coordination, and planning in regional terms as a complement to already well-elaborated vertical planning by economic sectors. At the regional level, many persons (though by no means a sufficient number) have acquired the habit of interdistrictal consultation, and of thinking in regional terms. Limited though they may be, these gains still represent important acquisitions at the outset of the present effort to regionalize Portuguese development policy.

3.3.4.2. PREPARATION OF THE REGIONAL SECTION OF THE PLAN

The following part of the work of the regional bodies, the working out of the regional section of the Plan has a very different nature from the first. It was not only a question of determining the options for the development of the region, but also

of planning the public investments to be realized in the region throughout the period of the Fourth Plan.

From the planner's point of view, there should of course be no hiatus between the two stages:

In the beginning two conceptions of the nature of the regional section were possible, one limiting it to no more than an administrative procedure for the allocation of public investments while the other, on the contrary, extended it to all sectors of the economy whether public or private, laying the stress on all essential and multiplier actions. This second view very quickly became the generally accepted one, because it corresponded best to both the aspirations of regional economic circles and the broad lines of planning in Portugal.

However, in reality the weight of the administrative constraints will be much greater for this second phase than for the first, and this at two levels:

- a) at the level of the interregional allocation of the funds etc. made available by the central authorities;
- b) at the level of the allocation within the region on the basis of the rulings and relationships between the President of Regional Commissions and the local and regional administrative authorities.

If the regional section did not become just an administrative procedure, it must nevertheless be admitted that the complexity of the procedure, its unstable nature and the secrecy with which it is surrounded have been the principal characteristics of the second phase and, as a consequence, the government has retained firm control over all that has been done.

The outside observer may easily become bewildered by the complications of the procedure. We shall do our best to go to the heart of the matters, setting out first the spirit, then the methods and finally the content of the regional section.

The ideas governing the regionalization of the Fourth Plan are the same as those behind the attempts relating to guide the implementation of the Third Plan according to a regional approach:

- Firstly, greater co-ordination has to be obtained between the different public equipment programmes, by means of better horizontal co-ordination to prevent projects being undertaken in the wrong sequence and disastrous inconsistencies between the types of intervention by the different ministries.
- Secondly, the integration of the investment decisions taken by local-regional authorities into the economic development policy for the country as a whole, that is breaking on the one hand with the traditional mode of decision-making on an ad hoc basis as local pressure is brought to bear, and on the other with the idea of spreading public funds evenly. To effect this, the regional section must not only determine the priorities, it must also link them to a clear-cut objective: either bringing the region up to date in a certain field, or keeping up with growth by ensuring that the level of equipment is satisfactory, or stimulating the development of the region by acting on its economic and social structures.
- Finally, it is necessary to break with the "maximalist" claims of the local and regional representatives and prevent the regional section from becoming just a "catalogue of good intentions". For this to be done attention has to be given not only to the objectives but also the means of attaining them, i.e. greater attention has to be paid to the means of realization and, in the first place, to the financial means.

The interregional allocation of the projects etc. to be carried out (on a financial basis) will be done by the various central ministries. These are required to inform the Presidents of Regional Commissions during the first trimestre of 1974 of the amount allocated to their regions, while providing indication concerning the allocation within the regions. The regions had no say in the interregional allocations: consultation by the regional bodies only related to the breakdown of the allocations and targets within the regions.

Thus, the regional section represents the regional breakdown of the national Plan, since it is intended to project to the regional level the objectives specified in the national Plan. Like the national Plan, the regional section will include a

schedule of realizations, an order of priorities, and indications of the corresponding modes of finance, that is, precisely what the previous regional objectives lacked. Of course, the regional section is also, as is the case with national Plan, indicative.

The Fourth Plan provided that regional section should be prepared by collaborating among regional planning committees, interested ministries and administrations, and the Central Planning Agency, with final decisions the responsibility of the Interministerial Committee for Economic Affairs. In addition, it was stipulated that the regional section would not be limited to public investments, but would also include forecasts of the creation of new employment and private investment. Regional planning is thus tending to become what it should be in order fully to play its role, that is to say, the indispensable complement to national planning.

For the period corresponding to the application of the Fourth Plan, the preparation of the regional section was directed primarily toward a six-year perspective on the socio-economic development of the respective regions, and toward the public investments to be realized from 1974 to 1979. In each case, the work demanded of regional organisms consisted of making projections over the entire four-year period and not of specifying annual values.

The preparation of perspectives on regional development was to be based on demographic studies, the evolution of regional production, and employment problems. As to the first, emphasis was put on population change, its urban-rural composition, migration, the age structure, and evolution of the work force. Projections to 1979 were to be made for ^{the} number of students, available labor force, and housing needs. Concerning production, regional activities were to be compared to the average trends for the nation as a whole. Employment studies were given particular emphasis, especially with regard to comparisons of supply and demand for labor, and estimations of new jobs which would have to be created by 1979.

With regard to public investments, the procedure for preparing the regional sections cannot really be dissociated from the regionalization of the budget of the state. These investments have been, insofar as possible, regrouped by planning region; they concern, on the one hand, direct operations of the state (highway construction, water supply, school construction, etc.), and, on the other hand, subsidies to organisms engaged in activities of a public nature (cheap housing, regrouping of rural land, etc.).

The preparation of the regional section involves three categories of investments: those which can be individualized at the national level; those which can be individualized at the regional level; and those fixed in general aggregates at the regional level. For investments in the first category, all the projects were known individually and were already mentioned in the Fourth Plan. The different interested departments were notified of their nature and of their nature and of the expenditures involved in each case and were asked to comment on them and to present their opinions concerning the order of priority of their realization. Investments in the second category were anticipated by the Fourth Plan but had not yet been individualized. Investments in the third category included projects which it would not be feasible to individualize in detail at the regional level before they were established by the departments, subject to the annual determinations of the allocation of the state's budget or of the budgets of interested local authorities. This category included such projects as elementary schools, housing, rural and departmental roads, water supply, and reparailling of land. In other words, it was not generally possible for the planners at the national level to specify the financial limits of projects in the second and third categories at the outset of the Fourth Plan, though methods were suggested for their estimation.

In general, the theoretical procedure for the elaboration of the regional section should consist of six phases. In the first phase, documentation was to be prepared at the national level containing the principal information needed for the work of the interministerial planning cabinets. In the second phase, these documents were to be examined at the regional level by the regional planning committees, in collaboration with regional agencies of the different ministries. After the necessary studies, a program for the regional section was to be prepared and submitted to the national level, where, in phase three, the relevant ministers and Central Planning Agency were to adjust the projects to harmonize with national objectives. In the fourth phase, these revisions were to be submitted to the different ministerial planning cabinets, as well as to the Regional Planning Committees for further suggestions or recommendations. In the fifth phase, the revised regional section was to be examined at the national level by the minister for Economic Planning and by the ministries involved and then submitted to the Interministerial Committee for Economic Affairs for definitive elaboration of their final form,

In fact, the preparation of the regional section for the Fourth Plan did not proceed in the fashion foregoing described, owing both to the pattern of informal relations which inevitably arises in the operation of any complex administrative process and to the frankly experimental nature of this initial effort. Moreover, by the time the regional section is forecasted to work out in the end of 1974, the Fourth Plan will be already approved, its first year of application will be already passed, and the annual budget for 1974 will be already prepared. Thus, the elaboration of the regional section did not take place as had been intended largely as a result of the haste caused by the relative lateness of its preparation.

This being the situation, one might well consider that, although it represents already an improvement of the process of the ^{the} Third Plan, it rests under the optimistic hope of the planners that the regional level should possess a considerable degree of consultative latitude and efficiency. In fact, the second phase was the only one where direct regional participation in fact occurred and the main element of flexibility in this complex edifice remained the possibility made available to the regions to transfer items between headings (but not between sub-sectors and most definitely not between sectors) within, of course, reasonable limits.

4. PORTUGUESE REGIONAL DEVELOPMENT POLICY

4.1. GUIDELINES OF THE "ORDENAMENTO DO TERRITÓRIO" REPORT

The main lines of a policy of Portuguese regional planning are reported in the IIIth Development Plan.

In it the aims and the fundamental orientations of this policy are defined, the planning regions delimited and characterized, a specific organism is proposed and most important measures of regional policy are pointed out.

The fact of development plans being documents of general character, and due to the fact that this subject was included in the subjects of planning for the first time, the IIIth Plan, al though defining clearly a certain style of regional development, only formulated guidelines of a very general type, which would later frame the work done subsequently.

Thus, in the text of the IIIth Plan, after emphasizing the harmonization of growth at a regional scale as the fundamental aim, the following is stated:

"In this view, the activity to be developed during the period of the Plan will be conducted to follow the aims stated below:

- i. The balance of the urban net, with the aim of giving the populations the minimum social-economic equipment, concentrated at reasonable distances;
- ii. The decentralized expansion of industry and the services, put into effect by using growth centres;
- iii. The progressive specialization of regional agriculture, in agreement to the characteristics of the soil and climatic influences, with view to concentrate in vestment.
- iv. On the other hand, the prosecution of these aims implies the necessity of certain regional structures being improved, in order to allow the elaboration of harmonized plans. Thus, the prior conditions for putting into effect the goals mentioned, are the delimitation of planning regions (plan-regions or programme-regions) and the definition of the adequate organic."⁽⁵⁰⁾

4.1.1. THE BASES OF THE POLICY OF TOWN AND COUNTRY PLANNING

4.1.1.1. THE PORTUGUESE REGIONAL STRUCTURE AT THE BEGINING OF THE INDUSTRIALIZATION PROCESS AND THE INCIDENCE OF THE NEW FACTORS OF CHANGING

The foregoing understanding (see 2.1) of the Portuguese regional structure will help us to obtain a clearer picture of the whole development process of the country and to analyse the Portuguese regional development strategy.

The agrarian type of economy and society left deep traces on the inherited regional structure. The slow advance of industrialization modified partly but did not change substantially the territorial structure, which had been formed under different socio-economic conditions. The fact that in Portugal, till a recent time, only up to 30 per cent of the population was urbanized indicates the extent to which the influence of industrialization could be felt.

Following its own logic, industrialization focussed only on certain regions and business centres, leaving aside or spreading with diluted intensity over other regions. Larger urban agglomerations have always been the most attractive points for development. These were the bases for the well-known cumulative process, in which industry and the superstructure mutually incite each other, resulting in a concentration and at times even in a super-concentration of economic activities and population.

The political history of the country - especially the imperial characteristic - is another reason for the slower progress of industrialization the more interior the region in question is situated. Lisbon was the capital of a big empire and in this way the main activities and trade flows were concentrated there or along the coast.

Thus, the differentiation of "regional societies" are the product of the uneven socio-economic historical development of various territories and the corresponding parts of the population. Recent socio-economic development did not diminish historical regional differences. On the contrary, it even emphasized them. Regions as well towns in which industry was developed continued to develop, whereas most of the territory remained outside the industrialization process.

The influence of insufficient and polarized industrialization becomes perhaps still more evident in the development of settlements. Many small rural settlements in Portugal were, because of the closed economy, almost out of the direct scope of industrialization. The unskilled population is by preference immobile; however, because of the high birth-rate and the lack of tillable land part of it had to leave the land. These people resorted to different forms of emigration: some went to overseas territories; people living in mountains came down to valleys, while a substantial part found temporary (and now more and more permanent) jobs in other regions or especially abroad where they stay at least for two or three years. Part of the population found also seasonal jobs in lowland agriculture.

The development^{stage} of a vast number of towns continued virtually unchanged for a long time. Formed under predominantly agrarian conditions, they changed their structure and increased their population relatively slow. In relatively large towns, a high percentage, often in excess of 50 per cent, of the population is agrarian. This is why it is not always easy to draw a distinction between towns and villages.

The presence of the agrarian population indicates the direct and manifest influence of agriculture on the structure of towns. The indirect influence was no less important structurally, the majority of towns were small with a population ranging from 10.000 to 20.000. These towns performed for the most part functions for agriculture; the Administration, trade, handicrafts, schools and medical institutions served primarily the needs of the agrarian population. The extent of their activity was determined by the effective demand and the level of development of the market economy in agriculture. The presence of an industrial enterprise did not as a rule make any substantial difference in the existing labour division or in the structure of these towns.

The fact of^{the} existence^{of} only two towns - Lisbon and Oporto - with over 100.000 inhabitants, which have been the main centres of development, is also an indication of the weak influence of industrialization. Therefore, the development of settlements in the last decades, suggests two important conclusions. First, development was most dynamic in big towns. As a consequence, the economic and social differences between the metropolis and what might be termed the provinces were considerably accentuated. Secondly, a limited number of small towns made progress, a considerable number of them stagnated, while some fell into chronic recession. Nevertheless, these towns were still better off than the villages,

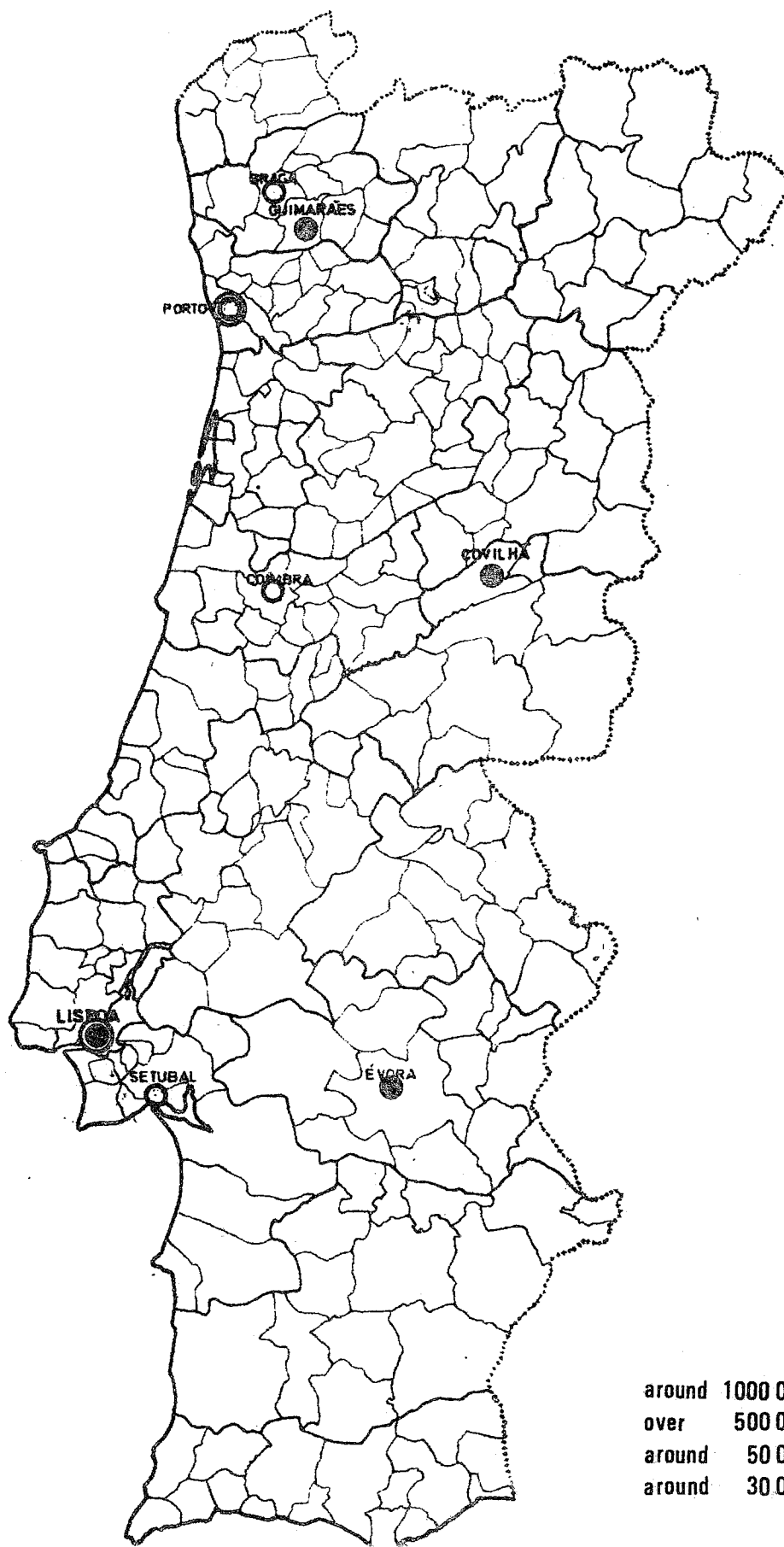
which were suffering from stagnation and underdevelopment.

The polarization of development in developed regions and larger urban centres cannot be considered outside the then prevailing institutional context. The process in Portugal was identically to that in Spain, Italy and other western countries, where the decisions were taken by private entrepreneurs. Under such conditions it was difficult to oppose the prevailing polarization tendencies and even more difficult to execute an active policy of regional development which would have restricted free initiative. Indeed, the liberal economy was partly modified in that domestic industry was to some extent protected. It seems, however, that regional differences increased rather than decreased as a result of this measure.

Thus, the policy of the last Portuguese development plans was being more and more criticized in both the economic literature and the official attitude. This criticism was aimed basically at polarized development in various regions and towns or, to put it in other terms, at the fact that regional development was the result of the spontaneous working of the market. This criticism is not unprecise, but it is incomplete. Focussing only on the territorial changes which have taken place under the influence of industrialization, it ignored two important moments. First, small-scale industry could not bring about substantial changes in the inherited structure of regions and settlements, which proved very resistant. Secondly, an altogether negative attitude was adopted towards polarization. Such a standpoint stems from the contradiction between the quest for even territorial development and the inevitable territorial polarization in underdeveloped economies. This contradiction gave rise to many dilemmas in the Portuguese regional development.

Polarization is inevitable at a low level of development for the simple reason that the volume of industry is not sufficient to cover the whole territory. Industry necessarily tends to become concentrated in regions and business centres where there is already a super-structure, a skilled labour force and a market. In Portugal, like in many others underdeveloped economies, there are relatively few points of this kind. Once it is recognized that the market mechanism accentuates regional differences, then it has to be admitted that a certain degree of polarization in regional development was inevitable under the conditions corresponding to the low development level of Portugal.

MAIN URBAN CENTRES
(according to the population)

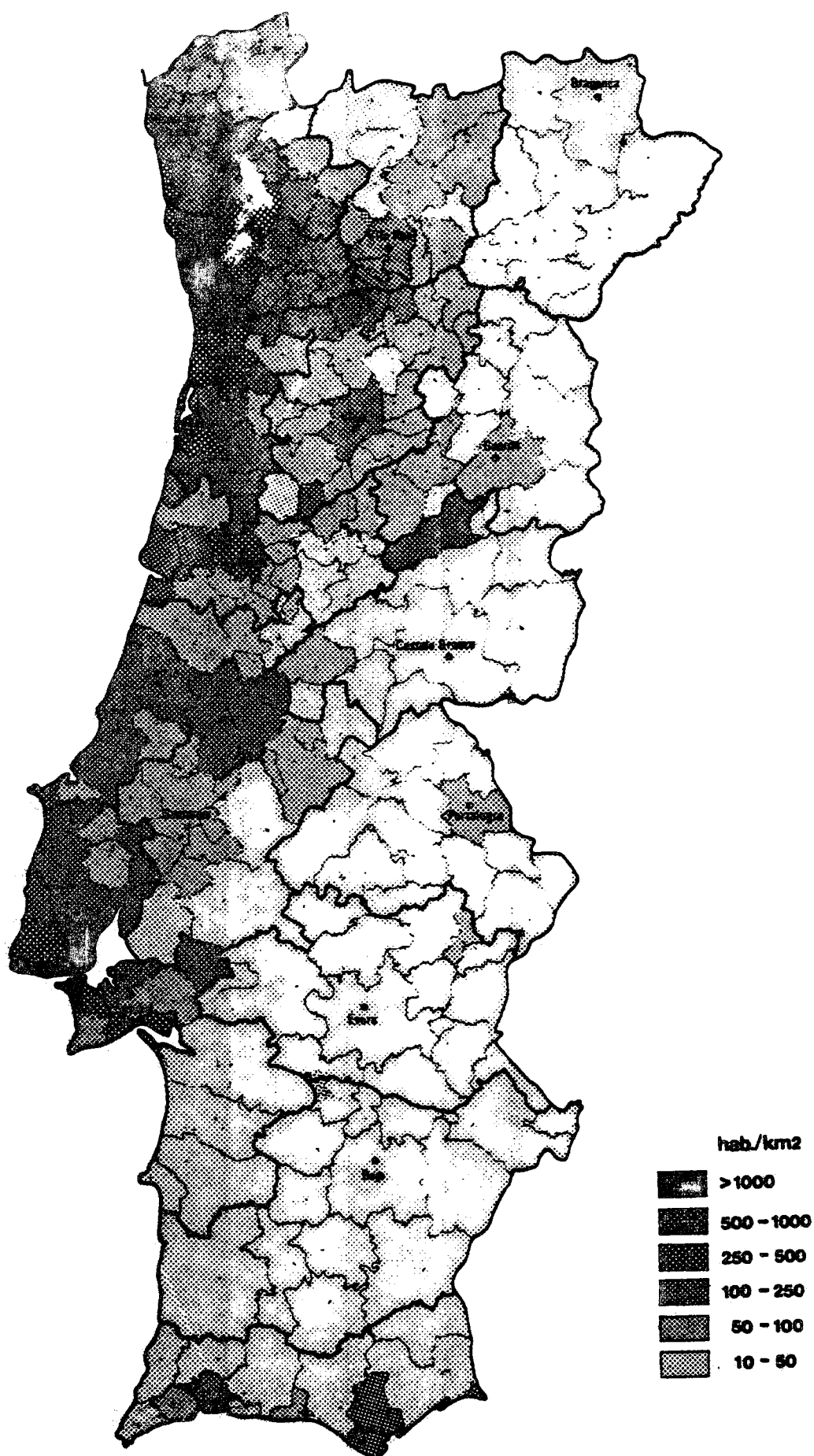


around 1000 000
over 500 000
around 50 000
around 30 000



POPULATION DENSITIES
BASED ON CENSUS OF POPULATION , 1970

MAP 18





2014-01-01

Order	Quantity	Unit Price	Total Price
001	100	1.00	100.00
002	200	2.00	400.00
003	300	3.00	900.00
004	400	4.00	1600.00
005	500	5.00	2500.00
006	600	6.00	3600.00
007	700	7.00	4900.00
008	800	8.00	6400.00
009	900	9.00	8100.00
010	1000	10.00	10000.00

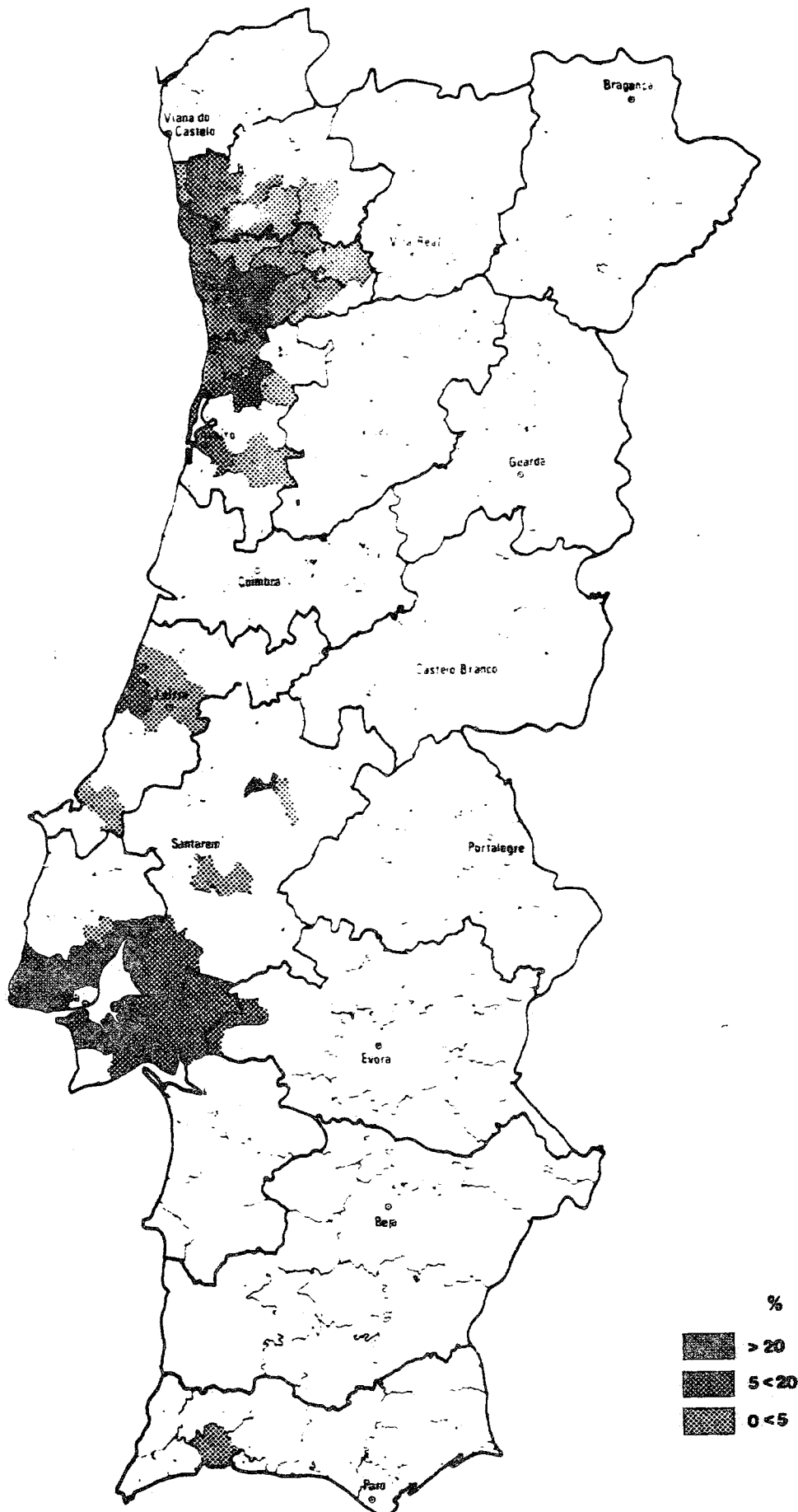
[illegible][illegible][illegible]

001 - 121

Figure 1

POPULATION INCREASE
BASED ON CENSUS OF POPULATION, 1960 and 1970

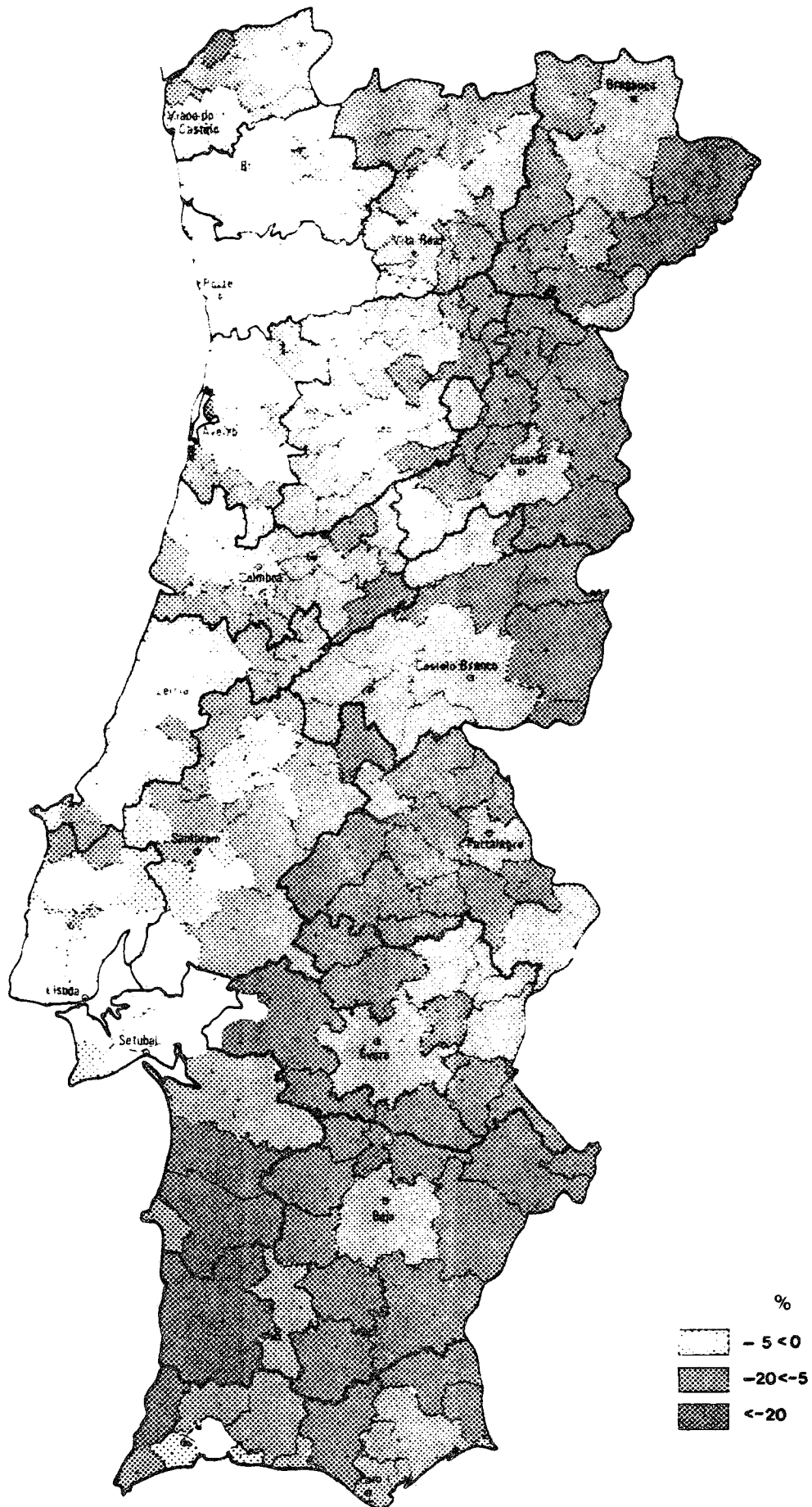
MAP 19

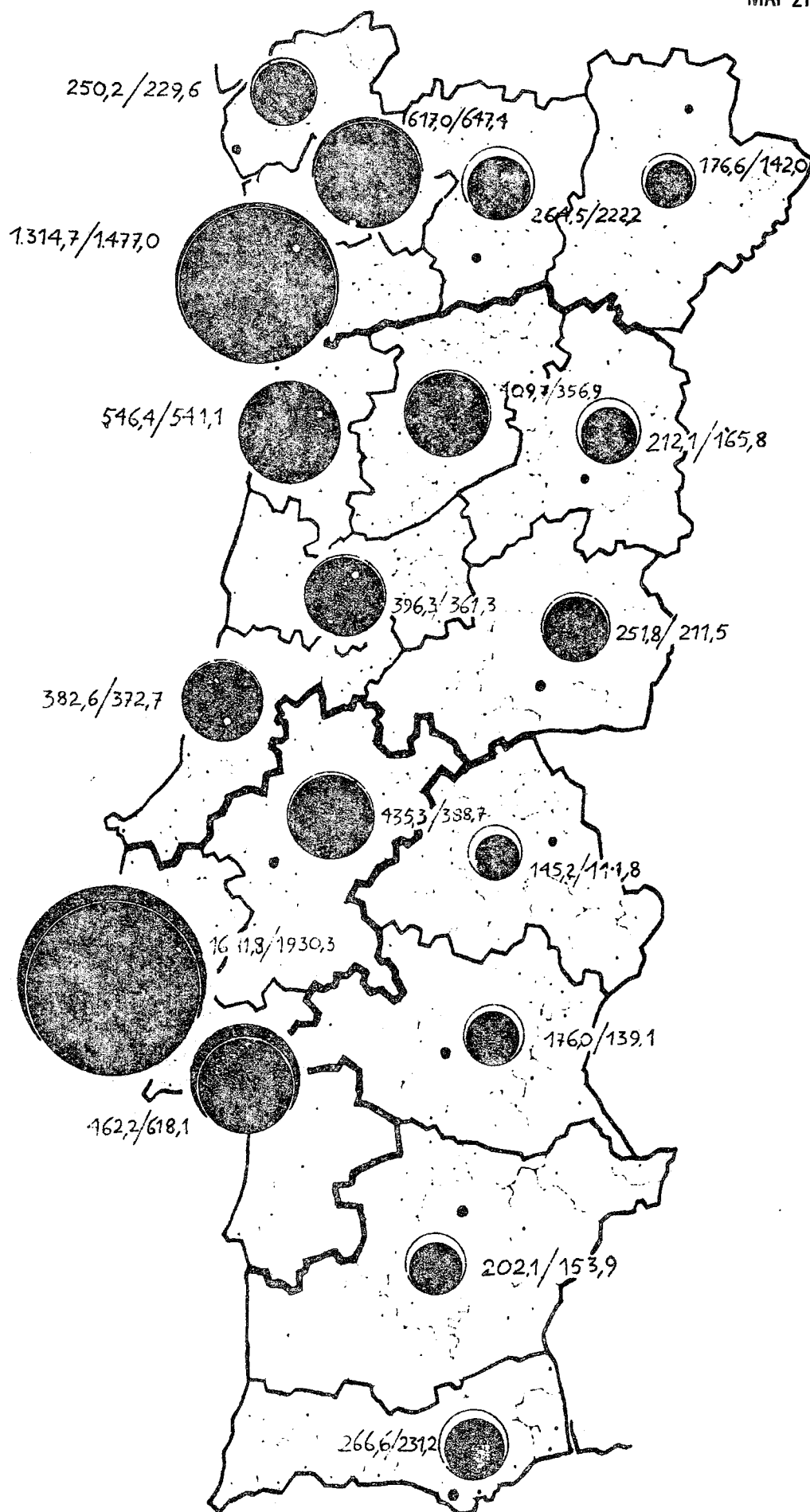


POPULATION DECREASE

BASED ON POPULATION CENSUS, 1960 and 1970

MAP 20





POPULATION (BY DISTRICTS) EXISTENT IN 1970
AND FORECASTINGS FOR 1980

What has been omitted, in our opinion, is the correct evaluations of the fact that the socio-economic conditions under which the inherited structure of regions and settlements was for the most part established were such as to make it impossible for that structure to meet the requirements of an industrial type of the contemporary economy and civilization.

However, this traditional scheme of occupation of the territory, consequence of a slow elaboration throughout the centuries, was deeply affected by the arising of new and dynamic factors of transformation during the last decades.

The evolution of technique and the spreading of the machine, resulting from the industrial revolution, decisively influenced the mobility of man and activities, setting free an accelerated transformation movement, at a rhythm unknown up to now.

In fact, the cumulative industrialization processes and those of urbanism on the one hand, and the diffusion of new means of transportation and communications, on the other hand, were the origin of big urban-industrial concentration areas coming into being and the rural areas being depopulated.

The growth of the big cities, based on secondary and tertiary activities, attracts an even growing number of persons, who come to seek better remunerations and new opportunities of a social promotion.

The generalized diffusion of existing phenomena, as a consequence of the capacity of modern means of communications to penetrate, and of the introduction of different ways of social behaviour in the population, resulting from the development of external and internal tourism movements, widens the horizons beyond frontiers and due to this, emigration to other countries is considered normal, as distances diminish because of the development of transportation means.

However, should the uncontrolled trend of these movements, which, in Portugal at the moment are irreversible, only show their negative aspects, they are nevertheless potentially factors to modernize society, if understood and directed this way.

In fact, it should be possible to develop new forms of the occupation of the territory by directing the higher mobility of men and activities, helping the spatial equilibrium of the future to become stronger than the one resulting from the processes of traditional occupation.

Thus, if on the one hand the exodus from rural areas causes the depopulation of the country-side, on the other hand, as soon as controlled, it will contribute positively to a more rapid mechanization of agriculture, and to the abandonment of less productive plots. The process of urbanization and industrialization can contribute to stress the already existing unbalance, as well as be a fundamental factor in activating the less favoured regions, provided they can be directed to create new centres of development in the interior of these regions, namely centres able to settle the populations which abandon the rural areas.

The possibilities of spreading new techniques and new ways of behaviour, made possible through the modern means of communication, are just as important to activate the populations and make them become more apt to collaborate in the transformation and modernization of society, as the existence of faster and more comfortable means of transportation. The latter will probably contribute to a better use of the services offered, and to ensure the productive centres the necessary links to the consumer markets.

This way, by controlling new factors of transportation, one can reach a more rational planning of the occupation of the territory. Besides contributing decisively to modernize society, this planning also seems to be the more adequate solution to direct the migration movements already existing.

4.1.1.2. THE EVOLUTION OF THE POPULATION'S TERRITORIAL DISTRIBUTION

In fact, the scope and direction of the migration movements are probably the main indicator, concerning the evolution of the changing process, of the forms of territorial occupation, as those movements condition and are conditioned by the evolution of the procedures of urbanization, industrialization and modernization of agriculture.

Thus, outlining the prospects of demographic evolution from 1960 to 1980 through a number of hypotheses of projections of the population residing per districts,⁽⁵¹⁾ it is possible to consider the scope of the migration phenomena during that period, and foresee the influence they will have in the future on the structure of the territory.

In elaborating those projections the natural demographic growth tendencies were considered and four different hypotheses about the migration movements, two referring to the internal migrations, and two referring to emigration. By joining these simple hypotheses it was possible to establish four compound hypotheses of different significance:

- Hypotheses I : joins both weak internal migrations and weak migrations abroad.
- Hypotheses II : joins weak internal migrations with strong migrations abroad.
- Hypotheses III : joins strong internal migrations with weak emigrations abroad.
- Hypotheses IV : joins both strong internal migrations with strong migrations abroad.

Thus,⁽⁵²⁾ grouping the districts into regions and sub-regions of planning, one can verify that in any of the hypotheses established, the Southern Region will register a population decrease between 1960 and 1980, while the Central Region will only register an increase should hypotheses I prove to be true (weak internal migration and weak migration abroad).

On the other hand, in the Northern regions and Lisbon, according to all hypotheses, will show a population increase, as they include, in any case, more than 60% of the total population.

Analysing the sub-regions, one sees that population movements will always be negative in the interior North, the interior Centre, Ribatejo, Alentejo and Algarve, the foreseeable increase being concentrated in the sub-regions of the Northern Coast, Centre and Lisbon.

Moreover, while the process of internal migrations only affects the sub-regions of the interior and the Southern Region, favouring the sub-regions on the coast, already mentioned (Hyp. III), the process of emigration to foreign countries will cause considerable negative effects on the demographic growth of all sub-regions (Hyp. II).

Taking into consideration the most optimistic hypotheses (Hyp. I), one sees that ten districts (Viana do Castelo, Braga, Porto, Vila Real, Aveiro, Coimbra, Viseu, Lisboa, Setúbal and Évora) show population increases, three being located in sub-regions of the interior. On the other hand, examining the hypotheses which joins strong internal migrations with strong emigration to foreign countries (Hyp. IV), only four districts (Porto, Aveiro, Lisboa and Setúbal) will show positive variations in 1980, while the population increase will be nearly equal to nil for all of the country between 1960/1980.

In all of the hypotheses of demographic evolution here presented, the fact that in the whole process of migration movements started already long ago and has a tendency to aggravate, was taken into consideration.

In fact, the hypotheses of demographic evolution presented, show clearly, that should the tendency of emigration flows aggravate during the period which was considered, then only the areas including Lisbon and Porto (districts of Lisbon and Setúbal and of Porto and Aveiro) will register population increases.⁽⁵³⁾

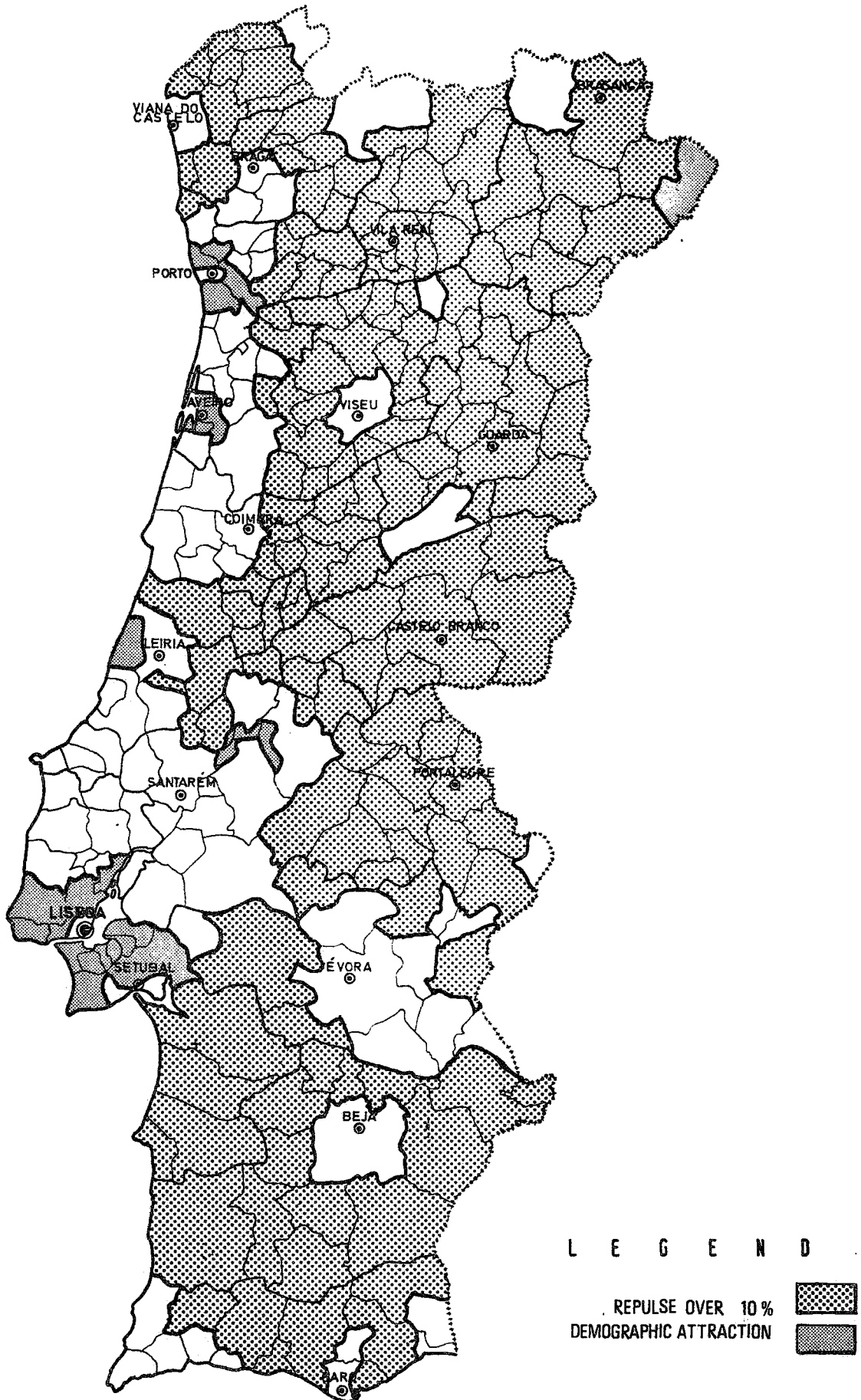
On the other hand, even if one were strongly active to reduce the emigration flows, but let the intensity of internal movements aggravate, the only result would be that the districts of Braga and Viana do Castelo would also present population increases during the period of 1960-1980, thus enlarging the favoured coastal region.

Due to the impossibility of applying restrictive measures to the whole of population movements, to lessen the tendencies of the past, one cannot consider the possibility of population increase, even reduced, of certain districts of the interior, the Centre and the South (Vila Real, Viseu, Coimbra and Évora). Even in this case, one would, nevertheless, still observe depopulation in large parts of the territory.

Thus, it seems that no simply restrictive policy, even admitting the possibility of applying it and controlling the social tensions resulting from its application, will be able to contribute to a more balanced occupation of the territory.

In fact, to make such a choice would mean that one ignored that the insufficient social-economic development rhythm of the less developed regions is the basis of the population re-

REPULSE AND ATTRACTION AREAS



pulsion, and thus, only an activation to kindle the process of development of these regions, taking the best advantage of all their potentialities, will be able to change the migration movements into one of the positive factors of a more rational occupation of space, making easier or contributing to the industrialization, urbanization and the modernization of agriculture.

If not seen this way, the best one could achieve would be an increase of population concentration in the more favoured areas of the coast, where activities are more profitable at short term, but having, on the long run, the effect of abandonment of most of the territory of the country.

Thus, it is necessary to opt for a policy of making the best use of all potentialities, trying to reach a better equilibrium of development in the long run, instead of waiting for a chance to guide the factors of transformation of society into the most desirable directions.

4.1.1.3. IDENTIFICATION OF THE POTENTIALITIES OF DEVELOPMENT

of the
The definition/regional policy was thus based on the identification of the potentialities of development of the Portuguese territory. (54)

Among these were not only included those resulting directly from the territory's own nature, soil and sub-soil and outline of the coast, but also those implanted in this very territory through history, such as communication infrastructures, urban centres and industrialized areas.

In order to set up a system for their identification, we will group the various potentialities according to urban, industrial, agricultural and silvicultural, tourist, infrastructure and sub-soil aspects.

The existence of urban centres is, in itself, a potentiality of great importance to be considered as a factor of transformation of the forms of occupation of the territory.

In fact, the search of urban centres by the population is characteristic of the process of modernization of society, being stronger or weaker, according to the dimension, the equipment and the function traditionally fulfilled by each centre in the urban

net of the Continent.

The urban net of Portugal, as it exists, is extremely unbalanced, thus contributing to the defective process of settling populations, which has been noticed.

Except Lisbon, where, in 1960, lived about 800 thousand persons (more than 1 million within the total agglomeration) and Porto, where during the same time lived more or less 300 thousand (about 800 thousand within the agglomeration, in 1960 there were only small cities with less than 50 thousand inhabitant .

Despite their small dimension they represent a potentiality, as far as the already implanted services and infrastructures are susceptible to attract industrial activities and carry out the function of commercial centres and of support to the populations of the areas which surround them.

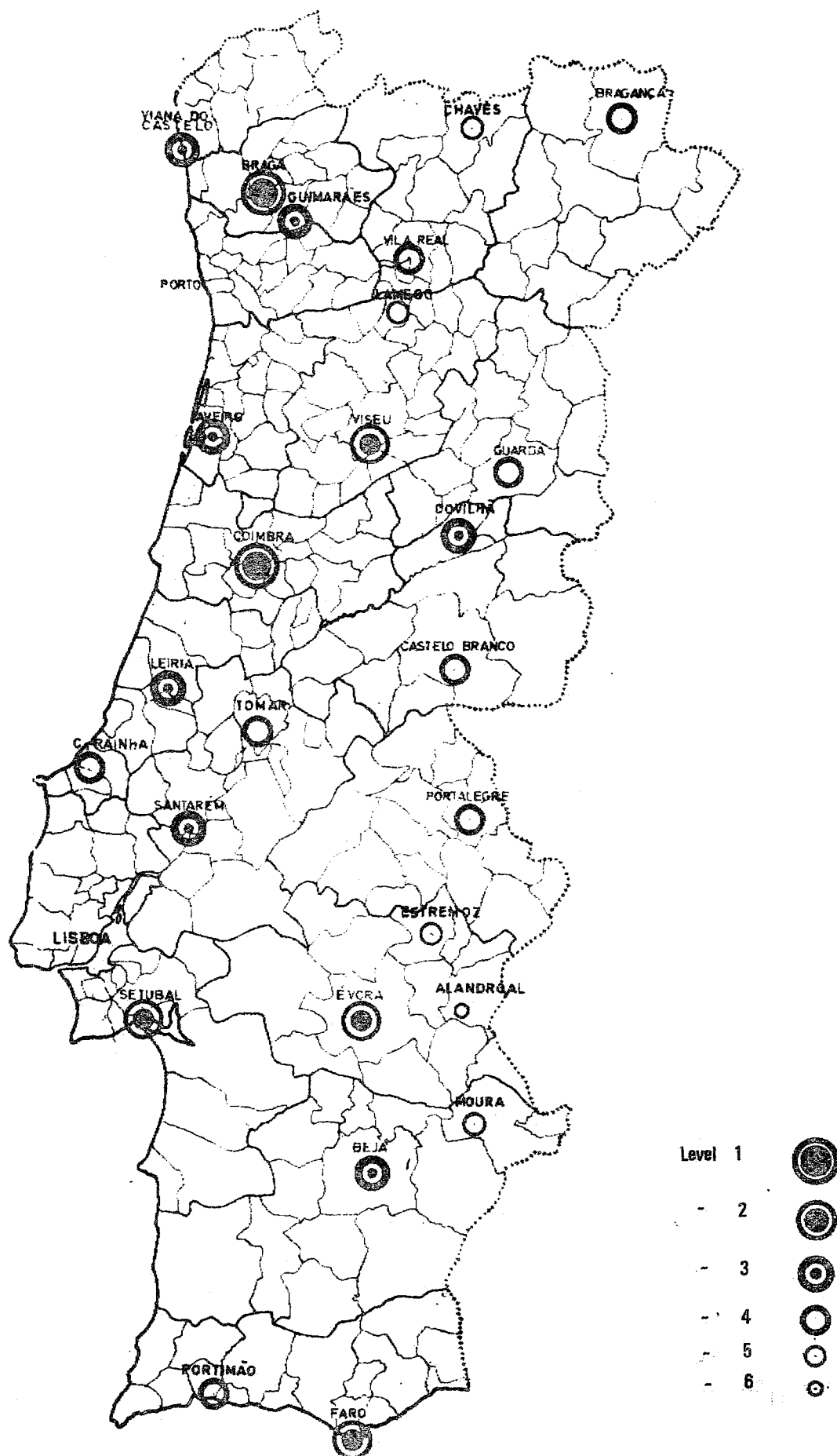
The studies carried out⁽⁵⁵⁾ make possible to establish a hierarchy of the urban centres with less than 50 thousand inhabitants, of greater importance within the net of the country in agreement to their demographic weight (global and active population), their capacity to render services and their effective or potential influence on the organization of space of Continental Portugal, thus clearly showing their larger or smaller potentiality.

However, a simple hierarchy of urban centres in agreement with a global scale does not show clearly the greater or smaller dynamism of their structure, and thus the comparison of various indicators used, in relation to identical values attributed, shows different structural realities.

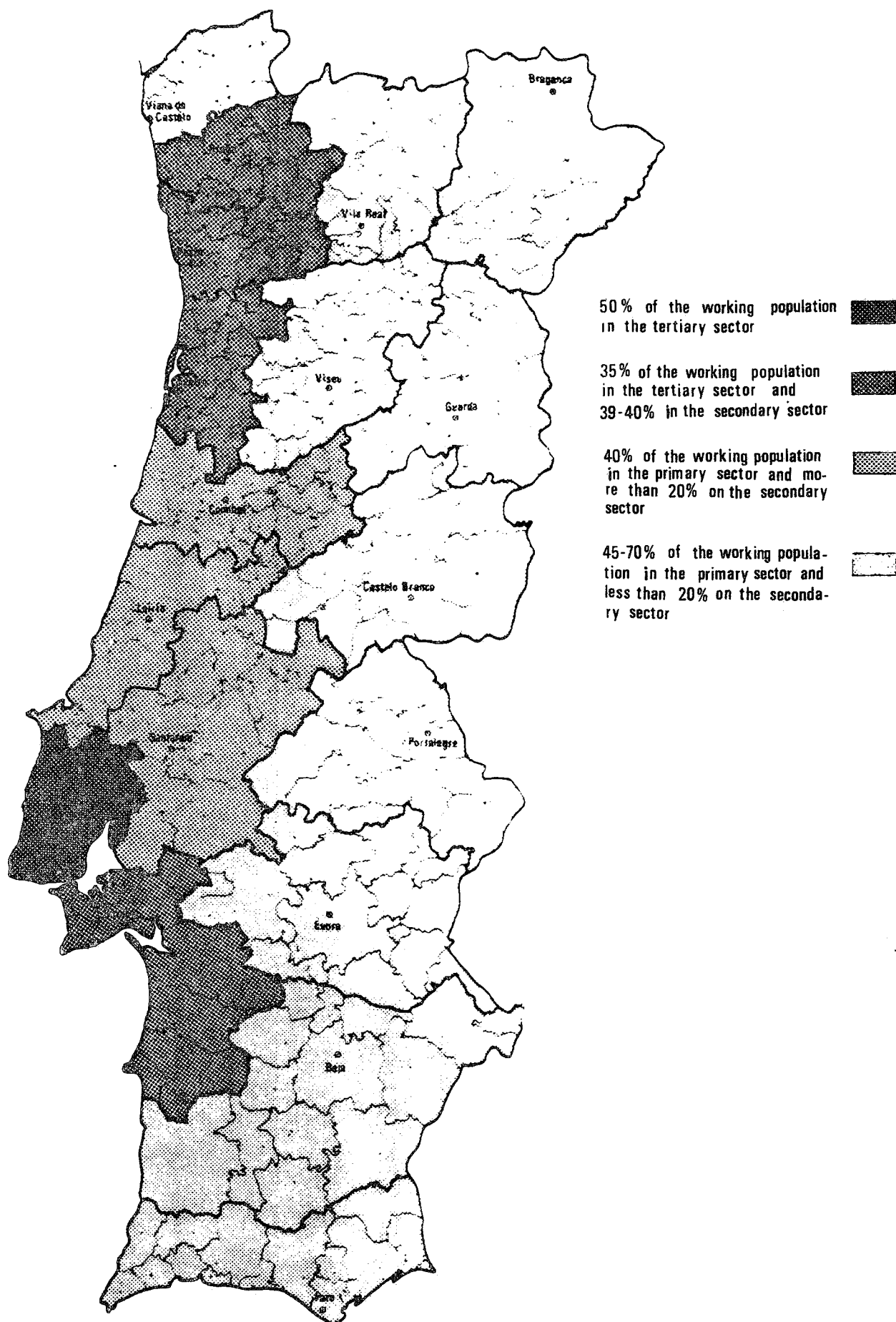
Thus, while the hierarchic position of some centres is mainly the result of administrative functions, which were attributed to them, artificially increasing the weight of the services rendered to help the populations, without a corresponding development of its demographic weight and of the services to support economic activities having been registered, in other ^{centres} one sees that their own dynamism led them to a predominant position within the demographic index and of the ones corresponding to the services to support economic activities.

On the other hand, while the majority of the analysed centres appear as isolated urbanistic phenomena, there are cases where it is possible to consider the constitution of urban agglomeration.

HIERARCHY OF THE URBAN NETWORK AND ITS SPATIAL DISTRIBUTION



ORDERING OF THE DISTRICTS ACCORDING TO A SECTORIAL DISTRIBUTION OF THE WORKING MAP 24
POPULATION - 1970



merates, joining the areas of two urban centres, situated at close distance from each other and showing tendency to become interdependent.

Thus, applying these criteria (56) to the Continental urban net, the following agglomerates are the most important ones, according to the following decreasing range within the hierarchy: Braga, Guimarães, Coimbra, Faro, Olhão, Setúbal, Évora, Viseu, Aveiro, Santarém, Viana do Castelo, Beja, Leiria, Covilhã, Castelo Branco, Guarda, Portalegre, Vila Real and Bragança. Among these, and on different scales, the most dynamic ones are Braga, Guimarães, Faro, Olhão, Setúbal and Covilhã.

The influence exerted by the industrial areas within the process of transformation of the occupation of the Continental space was already emphasized, as far as it can be stated in general, that the dynamism of industrial activities attracts the populations and induces the development around them.

The location of the main spots of industrial implantation has been the object of various studies, based on multiple indicators. (57) (58)

Thus, the most important industrial areas of Continental Portugal are to be found on the coast between Setúbal and Braga, with prominence on the industrial area of the North, including nearly all communities of Braga and Aveiro and the one of Lisbon, including the city's suburban communities and those of the peninsula of Setúbal. Within the centre of this coastal zone one still has to emphasize the communities of Coimbra and Figueira da Foz and the ones of Leiria and Marinha Grande.

In the interior, within the district of Santarém, only the communities of Torres Novas, Tomar and Abrantes are to be stressed, and the community of Coimbra in the district of Castelo Branco.

But, besides the level of industrialization already reached by each of these industrial areas, one has also to consider the dynamism of their growth. Due to the fact, that at present it is impossible to determine it at communities level, only those districts are indicated, in which the industrial structure showed greater dynamism within the period of 1953-1954 and 1963-1964.

Thus, a first group includes the districts of Aveiro, Setúbal and Lisbon, a second one those of Leiria, Porto and Braga; and a third group, the districts of Santarém, Coimbra and Castelo Branco.

It is thus clear, that all the districts including the more industrialized communities are the most noted ones, with emphasis on the coastal districts, the dense industrial area of Porto and Braga, however, showing the weight of a weakly diversified structure, based on industries of weak dynamism.

On the other hand, one must stress, that in all the area of the interior from Bragança to Faro (except Covilhã) and on the coastline of the Alentejo, industry is not yet a reality to be considered.

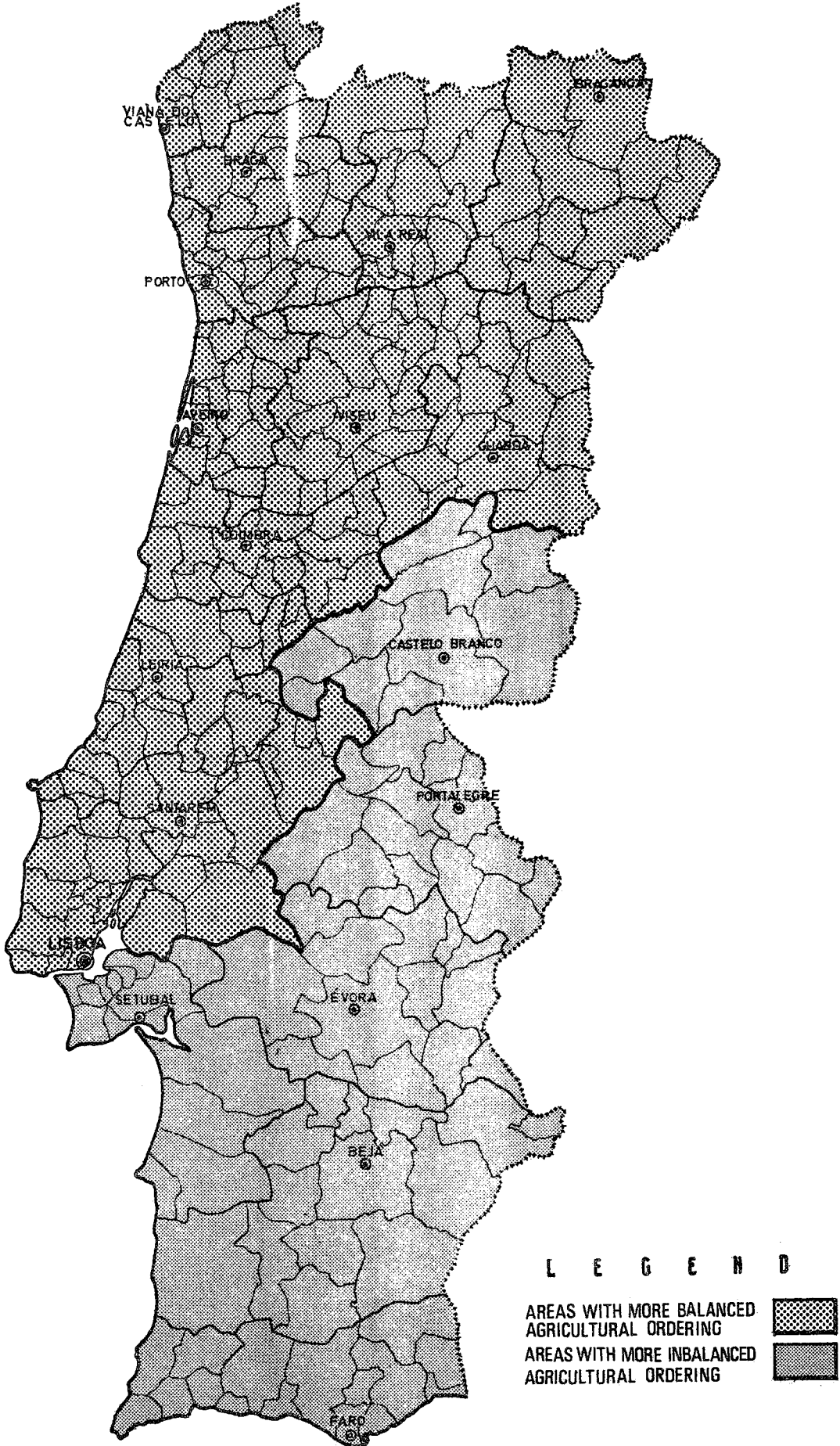
The identification of agricultural and silvicultural potentialities within the Portuguese territory was also part of the concern to find a better balance between men and activities, within the framework resulting from the demands of the new factors of change and modernization of the traditional forms of occupation of the territory.

In fact, the development of modern agricultural intensification techniques, irrigation and mechanization, and the population's demand for services and infrastructure-equipments, forces us to consider the concentration of the rural population in the areas of greater agricultural capacities, as the future tendency.⁽⁵⁹⁾

Thus, in Continental Portugal, the following areas are considered as important spots having good agricultural aptitudes:

- The coastline between Lisbon and Viana do Castelo
- The plains of Chaves and of Vila Pouca de Aguiar, and the region of the Douro River
- The Southern part of the district of Viseu, extending into some communities of the district of Guarda
- The Tejo valley
- The Alto Alentejo
- The Northern part of Baixo Alentejo

AGRICULTURAL ORDERING



- The coastline of the Algarve

Apart from these, one also will have to consider more specifically localized areas, where the natural aptitude, together with irrigation plants newly put into effect, other important possibilities of increasing vale.

Among these are stressed:

- the irrigation plants of Alfândega da Fé, Vila Flor, Macedo de Cavaleiros and Mirandela
- the Mondego area, between Coimbra and Figueira da Foz
- the Cova da Beira, between Estrela Mountains and the ones of Gardunha.
- the irrigated fields of the Sorraia river
- the irrigated areas of the Alentejo (Caia, Évora, Vale do Sado, Alvalade, Roxo, Alto Sado and Mira).

Among the potentialities to be noted one still has to consider the ones resulting from the territory's aptitude for silviculture, the profit of which might in some cases only be a complement of the agricultural activity, but in other areas the only activity open to profitable use. When identifying the areas of strongest silvicultural aptitude one sees that these comprise a large zone of Portugal, including all of the coastline, with the exception of border of the Algarve.

The influence of internal and external tourist flows in relation to the forms of the territory's occupation comprises numerous aspects of regional interest.

Analysing the problem within the national scope, though and considering, that the fact of having considered the inflow of foreign exchange as predominant in tourism, has caused efforts and equipments to be concentrated in areas which best satisfy the demand of foreign tourist flows, one notices that two large areas with tourism possibilities to be developed and dependent on the town and countryside planning of the territory, are prominent: the one of Lisbon and its surroundings and the one of the Algarve coast.

In the interior, the Serra da Estrela, with possibilities, not yet made profitable and used, is to be emphasized for its dimension and its exceptional scenery within continental Portugal, as well as for its unique possibility of exploiting certain schemes of "winter tourism".

Among the main potentialities to be listed one must not forget to consider the existence of transport and communication infrastructures, as they condition a greater or smaller mobility of the populations and of economic activities.

As for the railway infrastructure, the analyses of the continental rail-net makes it possible to assert that in general, the territory is relatively well served by the big axis of communication,⁽⁶⁰⁾ but one must stress that the situation favours the links between the coastal regions and the South more than the ones between the latter and the interior of Trás-os-Montes and the Beiras.

The existence of airports is a potentiality to be considered when defining a strategy of increasing the territory's value, and thus one will have to bear in mind the airports of Porto, Lisbon and Faro.

The existence of harbour infrastructures is an important potentiality, not only because of the movement of persons and goods it makes possible, but also because it induces other economic activities in general. The elements known make it possible to identify two groups of small ports, besides the ports of Lisbon and Douro and Leixões, namely one including the harbours of Aveiro, Setúbal and Portimão, and a second one including Viana do Castelo, Figueira da foz and Peniche. Theoretically, the coastline and the characteristics of the land are able to offer new potentialities for the implementation of harbour-infrastructures, such as Sines, for example, but considering the tendency for concentration of harbour facilities all over the world, the identification of such potentialities can only result from a policy defined by the respective branch itself.

Concerning the territory of Portugal one still has to consider the locality of potentialities of mineral deposits in the subsoil, which cannot be complete due to the lack of data.

Nevertheless, we stress that the existence of important pyrite deposits in Baixo Alentejo has been admitted, mainly in the region of Aljustrel - Santiago do Cacém, and that important wolfram deposits have been explored in Penamacor, and uranium in the district of Guarda. Iron deposits in Trás-os-Montes, mainly in Torre de Moncorvo are also known and being explored.

The comparison of the various potentialities of the territory (map 27) lead us to affirm the tendencies presented by the analyses of the demographic evolution of Portugal until 1980, justifying the most pessimistic hypothesis concerning the depopulation of certain areas of the interior, and the increase of the population concentration on the coast.

In fact, the majority of the potentialities, natural or implanted ones, are concentrated between Lisbon and Porto, leading to the conclusion that normally the highest socio-economic growth rythmes are to be noticed in this area, their dynamism, thus stressing the capacity of attracting populations of less favoured areas.

Nevertheless, the overlapping of the existing potentialities also makes it possible to stress the existence of various areas of the interior, susceptible to a better utilization, clearly drawing traces of possible penetration of development, justifying an intervention agreeing to what was pointed out in the III Development Plan, with the aim of reaching a better spacial harmony of development in the long run, and a more balanced relation between human means and the potentialities of the Continental territory.

4.1.2. OPTIONS AND STRATEGY OF A POLICY OF TOWN AND COUNTRYSIDE PLANNING

4.1.2.1. THE MAIN GUIDELINES OF THE III DEVELOPMENT PLAN

The III Development Plan determines that, at long term, the pursuit of the "aim of gradual harmonization of growth at a regional scale is based on the definition of a plan of general town and country planning of the territory, in order to offer a better distribution of the factors of production, according to the resources which can really be used".⁽⁶¹⁾

The demand for a better distribution includes, as the IV Development Plan also recognizes, "the necessity of compensating the power of attraction of the two big cities of Continental

Portugal - Lisbon and Porto",⁽⁶²⁾ assuring a stronger dynamism of the process of development in the Centre and South and in the interior areas of the North.

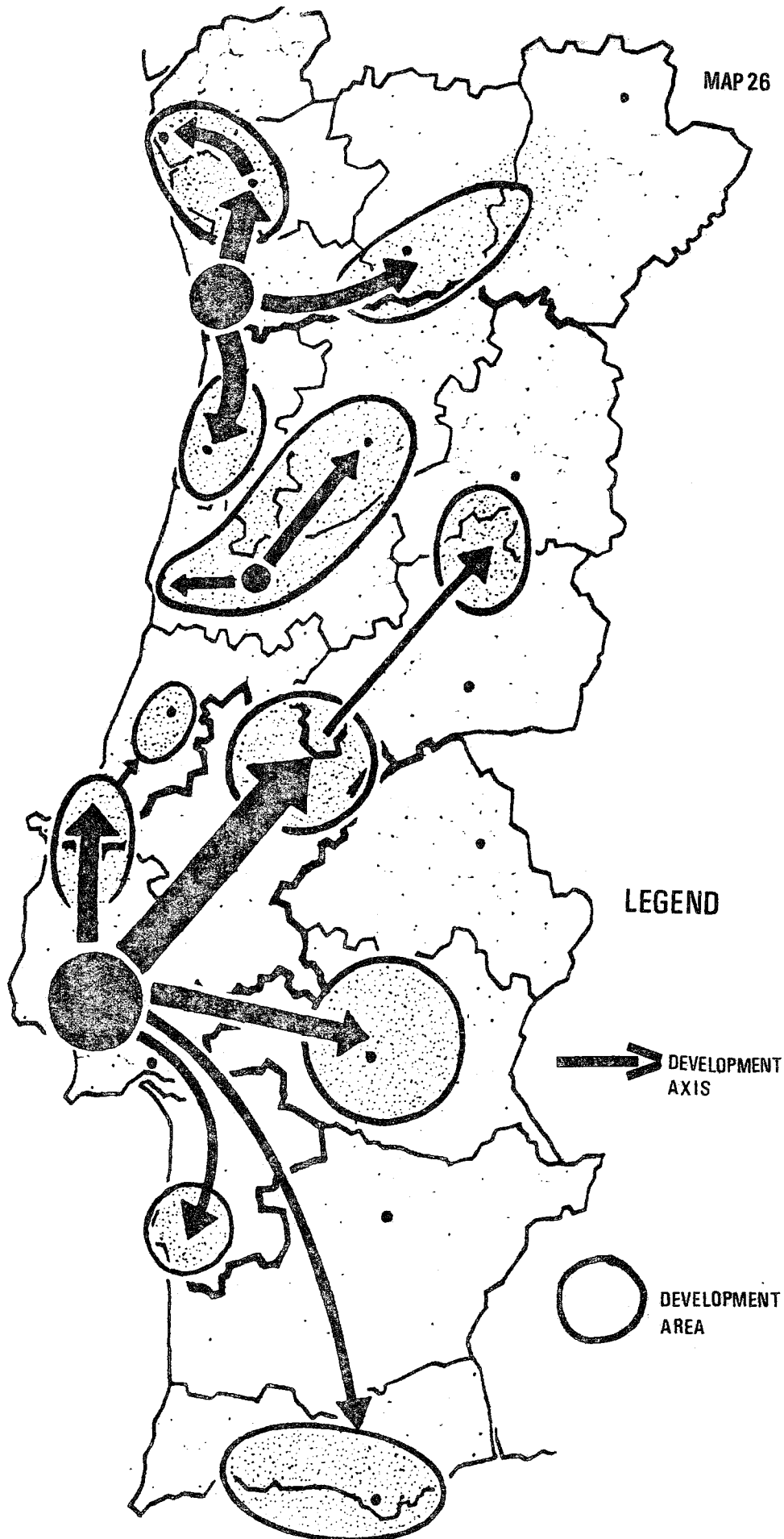
However, one has to consider first, that the harmonization of growth at a regional scale, and consequently all of the strategy to be defined, are conditioned by the "acceleration of the growth rhythm of the national product", priority aim of the III Development Plan, which means that one will have to bear in mind "the compatibility existing between the demands set forth by the national development and the ones referring to the progress of the various regions", thus tending, at long term, "towards the weakening of regional disparities by the form most favourable for the growth of the national product".⁽⁶³⁾

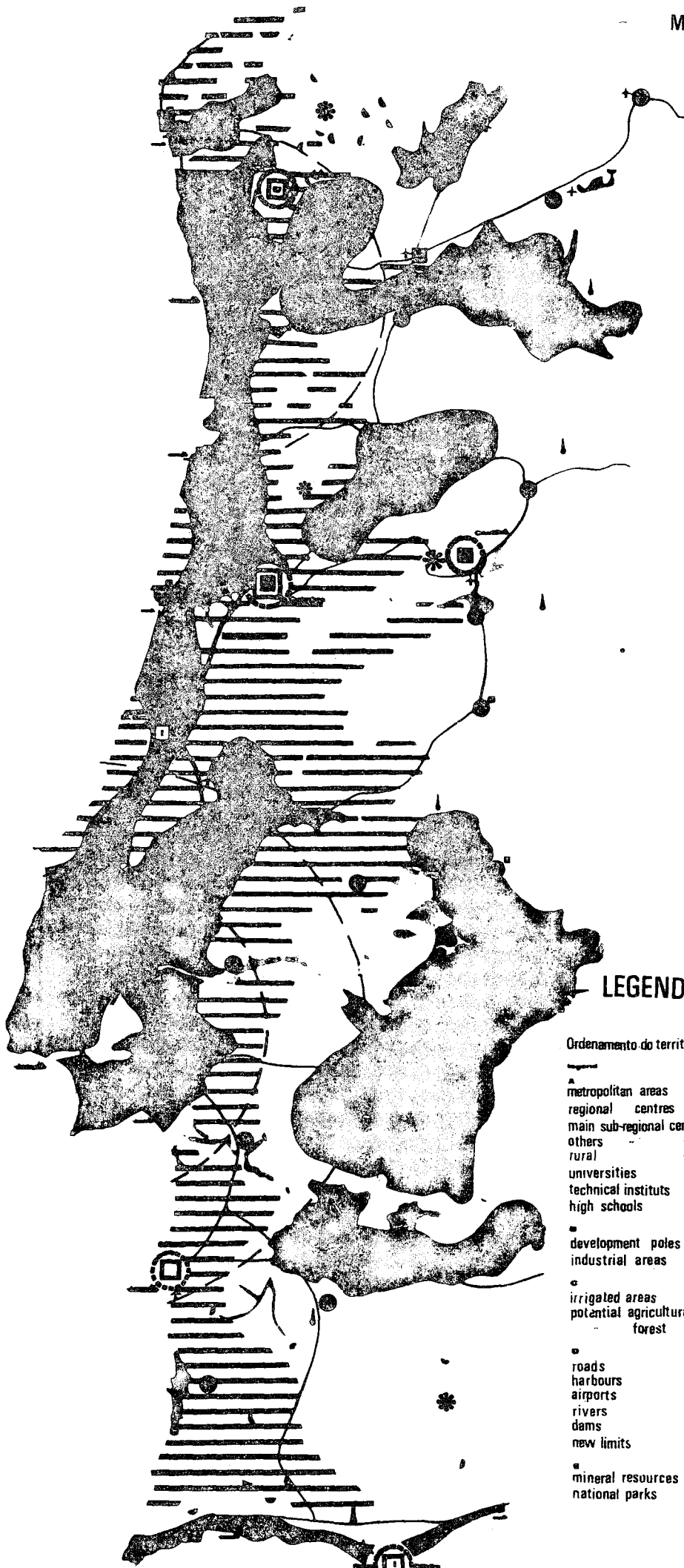
In terms of planning, this means that, although it is imperative to compensate the power of attraction of Lisbon and Porto, one must not forget the fundamental weight of these two urban-industrial areas within the economic structure of the Continental territory.

For this very reason the policy-criterion prevailed that no action whatsoever should go against the growth of the dynamism and permanent expansion of these two centres. On the other hand, this also means the demand of defining policies to abide by criteria of rentability, transcending, however, considerations based exclusively on criteria of immediate rentability, as, at long term, the planning can and must justify the anticipated carrying out of certain enterprises within the framework of forecasts about the global situation of the future.

Thus, respecting the defined conditionality, the III Development Plan formulates the orientation "that the search for harmony of growth on a regional scale will be conditioned by the very potentialities of each region", affirming, furthermore, that in practice this will become manifest in a policy of concentration of the investments in those spots which show bigger potentialities, contributing to a better regional coherence between resources which can really be used and productive structure, as the investment is conditioned by the real potentialities of each sector,

Thus, a policy of town and country planning will concentrate its concern primarily on the areas with the main potentialities, assuring the largest profitableness and the strongest effect at long term on the most rational structuring of the occupation of the territory, by means of coordinating activities.





LEGEND

Ordenamento do território

- metropolitan areas
- regional centres
- main sub-regional centres
- others
- rural
- universities
- technical instituts
- high schools
- development poles
- industrial areas
- irrigated areas
- potential agricultural areas
- forest
- roads
- harbours
- airports
- rivers
- dams
- new limits
- mineral resources
- national parks



And, in this view, it is said in the III Plan, that the activities to be developed in this matter during its period of validity will be conducted in agreement to the following aims:

- the balance of the urban net;
- the decentralized expansion of industry and the services;
- the progressive specialization of regional agriculture.

The carrying out of this policy thus implies the concentration of all efforts in the areas or spots of the territory showing bigger potentialities, not suggesting the prior improvement of other areas of less incidence on the overall development, but also susceptible of a better utilization, and, in many cases, of interest within the scheme of regional development.

The improvement of these areas should result from the regionalization of sectoral policies, at short and medium term, with the collaboration of the regional planning institutes, in order to frame, accompany and stimulate their evolution, still considering that these activities will have no structuring impact on the equipment of the territory, for which reason they will not justify a special or priority treatment in a first phase.

On the other hand it is still possible to identify restricted areas having no potentialities to be improved, in order to assure the resident populations life standards compatible with the level of overall development already reached in most parts of the territory.

In these cases, a social "politique d'accompagnement" should be followed, trying, according to the expressions of the III Development Plan, to solve the most urgent problems within the schemes of activities based on "temporary provisional solutions, which open the way to obtain a minimum of social conditions, although by means establishing equipment of transitory character". However, these activities should be accompanied by others with the aim of preparing the populations to abandon these areas, guiding them towards settlement in the areas of development.

The necessity of the departments responsible for carrying out of sectoral policies collaborating with the regional institution in regionalizing measures at short and medium term was already mentioned, as well as the advantage of coordinating the departments responsible for actions of social policy at short term, in order to carry out a "politique d'accompagnement" in critical areas.

However, one must emphasize the extreme importance which the coordination of the different departments of central and local administration assume within the field of the performance of a policy of planning of the territory at long term, referring to the direct actions related to the settlement of services and infrastructures or the launching of pilot-experiences, as well as indirectly through promotion activities referring to localization of productive activities. On the other hand, the problem of participation of the populations in solving and carrying out the schemes of development assumes special importance at regional level, and the III Development Plan has considered that "the guidelines that will frame the formulation of measures determined to reach the aims pointed out (referring to the harmonization of growth at a regional scale) will bear in mind local aspirations".

Such as the aim to assure in a first phase, the coordination and participation at regional level, the III Development Plan determined the creation of regional consultative commissions in each planning region, which still allows for "especially equipped organs to be created to face specific problems of certain areas".

Within this framework, one should thus consider the various institutional aspects involved in carrying out a policy of territory trying to put into reality the guidelines of the III Plan, in relation to coordination of services, participation of those interested and the joint treatment of certain areas.

4.1.2.2. OVERALL STRATEGY OF TOWN AND COUNTRY PLANNING

The main guidelines having been pointed out, it now becomes necessary to define a global strategy of concentrating investment in the identified potentialities, which should make possible to reach the goals attached to the planning of the territory by the Development Plan.

As a fundamental guideline one must not forget that the goals, such as defined by the Plan, request that the town and country planning should try to compensate the power of attraction of both big cities of Continental Portugal - Lisbon and Porto - without, nevertheless, harming their further development. It must be stressed that for a better territorial balance, the dynamics of these two agglomerations is an essential condition for the possibility of carrying out any policy of decentralized expansion of industry, as the latter will only be valid, if there is a process of industrial growth to be decentralized.

An the other hand, it is also important to state that, within an overall strategy, the processes of urbanization, industrialization and modernization of agriculture arise connected to each other, as a more harmonic territorial development can only be reached by the simultaneous development of productive activities and those characteristic of the urban sphere, granting the populations higher remunerations and easier access to the various services.

Consequently, the strategy to be defined should have to consider the organization of space around the urban centres, within the establishment of a hierarchy of functions which will assure rationally the rendering of services to the populations and the various activities.

Thus, the aims mentioned must proceed within the conditionality demanded by the answers to these two important points:

- 1 - how to take advantage of Lisbon's and Porto's expansion as to form the base of a process of penetration of the urban-industrial development into the interior;
- 2 - where to concentrate investments in the services and productive activities in order to counteract the power of attraction of those two agglomerations.

Lisbon's growth has developed in an accelerated way, which means that nowadays the urban region comprises all of the peninsula of Setúbal and numerous communities North of the Tejo. Due to this dynamism, it is to be noticed that its vicinity has been an important factor for locating new industries, which have been established close to the routes of communication in the direction of Caldas da Rainha, Santarém and, less intensely, Évora.

However, and due to the lack of an adequate planning, the establishment of new industrial units within the urban region or in its vicinity has been made disorderly, neither contributing to structure the urban net nor to the growth of other agglomeration, which would function as growth centres in dependence of Lisbon.

Thus, one suggests that the "Ordenamento do Território" policy should be fundamentally based on the rationalization and concentration of things to be established, trying simultaneously to stimulate the lines of expansion of the trend, in order to reach a stronger penetration of development.

In the North, the possibility of defining a strategy of development's penetration into the interior, based on Porto's expansion, is rendered more difficult by the little dynamic industrial structure of that area.

The city of Porto is the centre of a wide industrial zone which goes from Braga to Aveiro. However, either due to natural difficulties of penetration, or the predominance of industries not considered as activating development in the whole industrial area North of the city,⁽⁶⁴⁾ no decentralized expansion tendency whatsoever is noted as going towards the interior of the region.

Thus, before preparing any new territorial increase of the industrial area of the North, one must activate and diversify its structure.

On the other hand, here too, one sees that industrial establishments are carried out without clear order all over the mentioned area, contributing deficiently to the development of the urban centres which surround Porto. One must, thus, rationalize and concentrate the establishments trying to reach a better balance of the regional urban system by a better territorial planning.

Now, analysing, the potentialities distributed throughout the territory not comprised by the immediate expansion of Lisbon and Porto, with the aim of suggesting a concentration strategy of investments, which at long term, should have the consequence of counteracting the power of attraction of those two agglomerations, one sees that only the Centre (Leiria-Marinha Grande, Coimbra-Figueira da Foz, Covilhã) and the Algarve show important and diversified potentialities (urban, industrial, touristic, agricultural ones, etc.).

In this way, as far as the Centre is concerned, a possibility of concentrating investments in a new axis of development arises. In fact, in the area of Coimbra, a city important by tradition and having already industrial importance, the fields of the Mondego river/susceptible to take advantage of the planned irrigation; around Covilhã, the most populated and industrialized urban centre of the interior, ^{we} find the Cova da Beira, important irrigation zone, and the tourist area of Serra da Estrela.

In the same zone one should also consider Figueira da Foz, near Coimbra, an urban centre, where some industries have already been established, near a small harbour, having traditional tourism activity and, close to Covilhã, the existence of the mines of Panasqueira, the biggest deposit of wolfram of the territory.

However, economic relations between Coimbra and Covilhã never developed intensively, because of the communication difficulties due to the Serra da Estrela. Thus, the basic condition for the long term possibility of creating a way of penetration of development into the interior centre of Continental Portugal, would be the solving of the railway problem between the two zones mentioned, which can only be analysed by the competent departments. It must be stressed however, that the profitability of such an enterprise must be evaluated considering its effects on the structure of a more balanced planning of the territory in the long run, and not in terms of immediate profitableness.

As an alternative to this solution one might consider the concentration of investments in the area of Viseu, linked to the development of the area of Coimbra - Figueira da Foz, mentioned above. Although one does not find the same problems related to infrastructure of communications, which could lead to the conclusion that the solution can more easily be found here, it has the disadvantage of reducing the penetration into the interior and of being based on activities in a predominantly agricultural zone, having its centre in a relatively important city, which is however better prepared to support agricultural activities, than for an accelerated industrial development.

It is clear, that in any case the development of the area of Covilhã continues to be of priority, as it is the zone of the interior which includes the strongest potentialities. However, and according to the second hypothesis, its socio-economic relations would still be mainly linked to Lisbon, not counteracting in the least the excessive power of attraction of the capital.

The activation concentrated on the Algarve, although of great importance for the balance of the urban net, will not have the same effects in counteracting the attraction of Lisbon and Porto.

In fact, the Algarve is geographically very far off the main economic axis of the territory, and thus one can only expect that at very long term, it might become an alternative of weight for the settlement of activities and populations. Furthermore, the Algarve is separated from the South of the Baixo Alentejo by the Serra (Mountain Range) and thus its influence will have difficulties in having effects on the organization of this area, in fact one of the poorest and less inhabited of Portugal.

However, it is exactly because of being geographically far away from Lisbon that one should consider that its development will contribute to a greater balance in the territory, as, in relation to that agglomeration, it will be possible to organize/and to function with quite a bit of autonomy. As it is an area with diversified potentialities, susceptible to being better utilized, in the field of urban - touristic development, as well as in relation to the increase of its primary and secondary activities, and served by infrastructures of air transports, it can be pointed out within a strategy of town and countryside planning, as one of the areas in which the concentration of investments will be justified in terms of profitability.

Having mentioned the main guidelines of the strategy of planning suggested, one must still consider the framework of other identified possibilities, which are of interest to increase the value of vast areas of continental Portugal.

Excluding Leiria-Marinha Grande, an urban industrialized area, situated on the main axis of development and susceptible to increase its value by means of a better planning of settlements, all areas not mentioned are, in this phase, predominantly integrated in a strategy of rural development planning.

Its improvement will, at least at medium term, be the outcome of activities undertaken to better utilize agricultural and forestry potentialities, with special emphasis on zones of irrigation, the industrialization of products and the perfecting of commercialization systems being included in this scheme.

These activities must be completed by the rational organization of an urban net of rural support, which, integrated in the respective urban, regional systems, will assure the necessary rendering of services, to the populations as well as to the men-

tioned economic activities.

Accompanying the evolution of these areas and of its support - centres, will make possible to determine its future inclusion into the lines of the strategy of penetration of the urban-industrial development, as far as the realization of the suggested strategy will justify the widening of the comprised areas.

On the other hand, one must still consider the existence of other potentialities in the interior and ^{at} the coast of the Alentejo, still deficiently evaluated, which might, in the future, become important elements in carrying out a strategy of development of these territories. Among these we stress the mineral deposits already mentioned (Baixo Alentejo, Guarda, Trás-os-Montes) and the outline of the coast susceptible to being used for harbours (Sines) and the integrated use of large river bay (Douro and Guadiana) or also the impact of tourist flows in the urban centres situated near the main borders (Viana do Castelo, Guarda, Elvas).

Finally, it is also stated that some areas, where no potentialities were identified, could possibly become centres of specific activities within a rural planning, framed by a policy of establishing national parks. This could, more specifically, be the case in regions in the interior South of Baixo-Alentejo, without obvious agro-forestal aptitudes, but susceptible to plantation of woods for recovery of the soils and creation of a hunting reserve, as a tourism activity complementary to the border of the Algarve, and of the community of Montalegre, near the Serra do Gerês, where important dams are situated, suggesting to use it for purposes of tourism, based on widening the national forest of Gerês.

4.2. SALIENT ASPECTS OF THE PORTUGUESE REGIONAL DEVELOPMENT MODEL

4.2.1. THE BASIC ATTRIBUTES OF THE PORTUGUESE SPATIAL MODEL

1. As we have seen the basic notion which animates Portuguese regional development policy is that of "ordenamento do território". This term, which has no exact equivalent in English, is by no means a precise concept even in French.⁽⁶⁵⁾ To illustrate, it is only necessary to consider a few of the many definitions which have appeared in the relevant French literature.

For Philippe Lamour the basic problem posed by "aménagement du territoire" in France is "the management of a country, for an important part insufficiently developed, in such a manner as to bring it to the level of the European countries with which it is associated."⁽⁶⁶⁾ Still more vague is the conception of Philippe Laurent, for whom it means "the introducing of rationality in place of only natural determinisms or uncoordinated individual desires."⁽⁶⁷⁾ A recent French government publication contains a definition which is frankly anti economic in its implications for factor mobility: "the object of aménagement du territoire is to develop each region in a fashion which permits its population to live as well as it could elsewhere through a better utilization of the means available to it."⁽⁶⁸⁾ For the group associated with the influential review *Economie et Humanisme*, on the other hand, the basic issue is at once geographic, economic, and human:

"Aménagement" is the technique of enhancement and development in the framework of more or less large natural or political territorial divisions. It presupposes deliberate intervention in order to assure rational enhancement and harmonious development which aim at optimal utilization of resources and the humane evaluation of the relevant populations.⁽⁶⁹⁾

In fact, however, these and numerous similar definitions add little to a statement made in 1950 by Claudius Petit one of the pioneers to press seriously for rational and coordinated research into the spatial aspects of development. In his view "aménagement du territoire" has as its goal the pursuit of a better distribution of the population in relation to natural resources and economic activities; this search, however, is oriented not toward purely economic goals, but more toward the welfare and full development of the potentialities of the population."⁽⁷⁰⁾ And later, in 1952, the same author filled up his idea saying that "Regional Planning really means the planning of our society".⁽⁷¹⁾

Whatever the conceptual difficulties, it is evident that concern in Portugal for "Ordenamento do Território", a term scarcely six years old, reflects a genuine need to transcend particular preoccupations such as geographic planning, urbanism, rural planning, and regional economic development. Ordenamento aims at comprehensiveness and consistency without denying the importance of any of these particular human satisfactions. The emphasis of a decade ago in Portugal on the theme of "Industrial decentralization", with its implicit opposition of Lisbon and Porto, on one hand, and the rest of the country, on the other hand, has gradually diminished in favor of a policy of "ordenamento do Território", which has undertaken to emphasize the complementarities of interests hitherto opposed or at best uncoordinated.

Hence, "Ordenamento do Território" policy represents a new instrument in the hands of the public authorities, namely the planners, and its use is a political responsibility closely linked to the search for the common good and its object is the co-ordination of all measures capable of affecting, directly or indirectly, the use and general arrangement of the country's living space.

"Ordenamento do Território" policy represents a strategy directed to long term objectives and is no longer confined to specific problems of urbanisation, industrial zoning, or country planning. It reaches out to cover the general development of society which means that it must take into account the numerous factors transforming that society and ensure that we adapt our land policy not merely to present requirements but also to those of future generations.

The whole object of "Ordenamento do Território" policy is to ensure that man and the regions in which he lives can look far ahead to a life spent in the best possible material and spiritual conditions, in a pleasant environment permitting the full development of the individual.

of the

In brief, the main characteristic/Portuguese "Ordenamento do Território" policy lies in its effort to deal comprehensively and systematically with problems of spatial resource allocation,

difficulties that, till a recent time, have tended to receive only bifurcated and uncoordinated treatment. On the other hand, the effort must be judged according to the extent to which its goals reflect actual social preferences, and to the extent to which its concrete policy measures in fact facilitate achievement of the goals.

In these regards, highly generalized definitional statements of the objectives of "Ordenamento do Território" policy (discussed in the foregoing chapter) are obviously not sufficient. One must frame the Portuguese experience in a model which takes into account the nature of different types of regions and of differing types of public and private investment policies, and the relevance of certain investment activities and of their location to social preferences. Such a model should not only be useful in describing present relations but should be capable of indicating how present relations might be altered so as to be more in harmony with social preferences.

Afterwards I will try to present a general model of this type for the Portuguese regional development policy based both on theoretical and empirical considerations described in the foregoing chapter which have influenced the Portuguese thought concerning regional development. Finally the circumstances which have given rise to the evolution of Portuguese regional development policy will be compared with the assumption of this basic model. The methods and aims of this policy will be described and evaluated in terms of their correspondence to prevailing social preferences and rational utilization of resources.

On the basis of these considerations an effort will be made to formulate a number of generalizations regarding the potential strengths and difficulties of regional development policy-making in the Portuguese context, and a number of operationally feasible proposals are set forth for dealing with the difficulties.

2. Portuguese regional planning was initiated largely on the basis of a distinction between the overconcentrated Lisbon and Porto regions and a relatively deprived "Portuguese desert", i.e. the provinces. Lisbon, especially, has too often given the impression of treating the rest of the country as a colony. Consequently, the government policy tries to achieve a new political balance.

The difficulty in Portugal is that the regions identified have no real existence or unity of purpose, except in their dealings with Lisbon and in a smaller scale with Porto. Paradoxically, the capital contributes to regional cohesion by acting as a scapegoat.

A genuine regional policy therefore should involve not setting the regions up against the capital, nor creating fictitious regions, since the resulting regions would be unable to function properly for long and would have to resort to Lisbon in order to settle their internal and external disputes.

The first step, therefore, was objectively to recognise the existence of a greater Lisbon region and not create any other regions within a radius of about 100 kilometers of Lisbon. Next, the responsibilities, facilities and activities at present densely packed into the congested capital must be given back to the provinces and their own towns and cities. Head offices, research bodies, banking institutions, administrative offices, etc., must be redistributed throughout national territory.

On the other hand, the notion of a more or less homogeneous area lying outside of the Lisbon and Porto regions has been replaced by a distinction with regard to potential and backward regions. In the terminology of the Third Development Plan, the government approach maintains that the policy of "aménagement du territoire" must find a practical compromise between regions depending on a policy of publicly induced growth and regions depending on a policy of induced public investment. On the one hand, it must give every opportunity, under conditions of fair competition, to "strong" regions whose potential benefits the whole of the country. On the other hand, it must seek to involve the "weak" regions in a process of development at first induced, then autonomous, in a manner which will enable them to participate in the current of modernization and expansion which characterizes our time.

Thus, one of the basic attributes of the Portuguese spatial model is its distinction among three types of analytic regions: congested (Lisboa, Porto), potential (owning "growth poles"), and backward. The advantage of these distinctions is that they come to grips directly with the problem of overconcentration of population and economic activity in some areas. Moreover, the concept of an intermediate region helps to clarify the issue of the opportunity costs of investing in backward regions when there are better alternatives elsewhere from a national and social viewpoint.

In this model, the first criterion for regional differentiation is the so-called center-periphery relation, with the center (core region - metropolitan regions) withdrawing decision-making powers and economic potential from the periphery and in turn spreading innovation to it. The cumulative effect is almost always one favorable for the center which keeps reinforcing its relative advantage until, as Friedmann⁽⁷²⁾ has shown, peripheral areas are able to exert sufficient pressure for more decision-making powers to weaken this self-perpetuating trend.

The remaining periphery is anything but homogeneous. Some parts of the periphery are "active" in the sense that they are able to attract more "spread" effects than they lose by "backward" effects. Others are neutral in that these effects approximately balance out, and still others are "passive" because "backward" effects prevail over "spread" effects.

3. Congested Regions are those which contain very high concentration of population and of industrial and commercial activity; they are represented by the metropolitan areas of Lisbon and Porto and they are the product of unbalanced growth; their development continues spontaneously as a result of favourable circumstances. The problem in these metropolitan areas is to try to avoid that they reach a point where the marginal social costs of further expansion are equal to, or probably even more than, the concomitant marginal social benefits. They are characterized by what would appear to be quite satisfactory conditions, namely high per capita income and high population density. All production factors are available (to the extent that they are even supplied to other regions), with the only exception of natural resources which through high returns can be easily attracted from the peripheral areas. All economic facilitating conditions are available to a comparatively high degree. National decision-making powers are concentrated here and social structures usually have a higher innovation potential than in other parts of the country.

Potential regions, on the other hand, are those which offer significant advantages - urban-industrialization level, tourism, qualified labour, cheap power etc., to private firms, and where entry of new enterprises or expansion of existing enterprises, would result in marginal social costs benefits substantially in excess of concomitant social costs.

In any event, mere prohibition of expansion in congested areas cannot be expected to stimulate growth in alternative regions; it is perhaps in recognition of this that now the government action tends to attract new industry directly to "growth poles" of such regions. The selected growth poles are the following: Coimbra, Faro-Olhão, Braga-Guimarães, Covilhã, Évora, Torres Novas-Tomar-Abrantes and more recently the development poles of Sines.

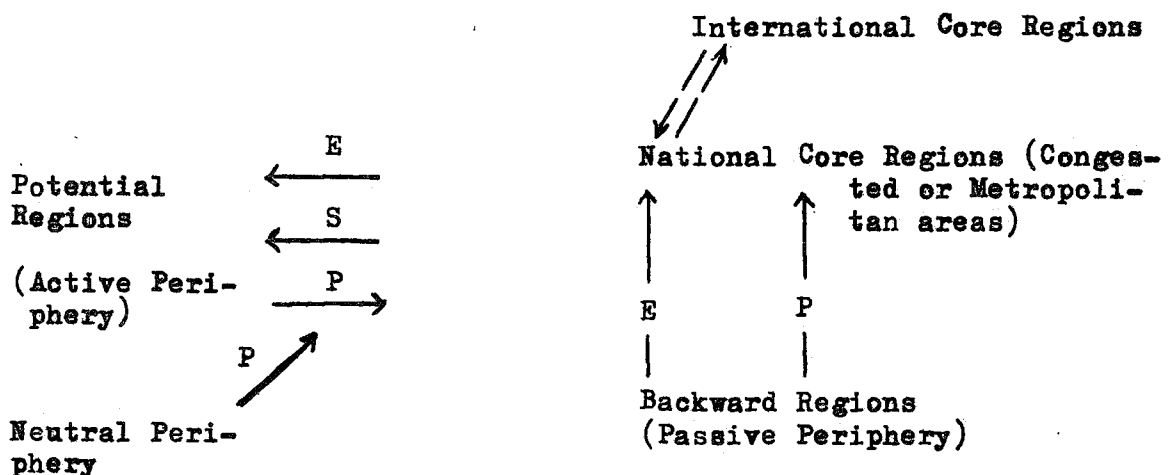
As a group of these potential regions, we must consider the rural zones with possibilities of integral agriculture development based upon the economic links among agriculture, industry and services namely all the agricultural areas that own irrigated zones of appreciable importance in order to represent dynamic nuclei of development for the whole area. The selected integral agriculture zones are the following: Chaves - Vila Pouca de Aguiar - Vila Flor - Alfândega da Fé - Mirandela - Macedo de Cavaleiros, Mondego, Cova da Beira, Vale do Sado, Caia, Évora, Roxo, Alvalade, Alto Sado e Mira.

These potential regions, due to the sensitive value of their natural and human resources, are expected to be able to attract more "spread" effects (in the form of labour, capital technology, favorable terms of trade) than they lose through "backward" effects (withdrawal of natural resources). Along with the attraction of population and economic production factors from other regions, they are in a comparatively good position to absorb innovational impulses from the core regions and to press more effectively than other types of regions for the delegation of certain national and regional decision-making powers. This type of regions represents the "active" periphery.

Finally, in this category there are peripheral regions which have an in-between position in that they are suffering about as much from "backward" effects (usually natural-resource withdrawals) as they benefit from "spread" effects (labour in-migration, innovational impulses). Often, both these effects are small and at times non-existent (like in the case of non-integrated subsistence areas). There are slowly developing to stagnating peripheral areas, often based on low-value (usually agricultural) resources. Sometimes their resource value may be so low that they would not be considered for settlement or development unless they are located along strategic national development axis. This is the type of a "neutral" peripheral region.

At last, backward regions (the remaining part of the country) present few, if any, attributes which would tend to attract new economic activity. They are represented by the areas characterized by small-scale agriculture or extensive dry farming and stagnating or declining industries. These areas due to a lack of high-value natural resources and rigid societal structures (along with a lack of economic production factors and a lack of human resources), suffer more from ^anegative effects of developmental determinants (drain of active population, loss through negative terms of trade, withdrawal of decision-making powers by core region) than they gain through "spread" effects from other regions (diffusion of innovations which they are ill-adapted to receive). This type of regions represents the "passive" periphery.

The mentioned "spread" and "backward" effects are the result of various transfers of economic, societal and political potential. For the case where no explicit regional development policy is applied, these transfers can be generalized in scheme as follows:



E - Withdrawal of economic potential

S - Diffusion of societal innovation

P - Withdrawal (or withholding) of political decision-making power.

4. Congested regions are the product of unbalanced growth. For the most part, their development begins spontaneously as a result of favorable circumstances such as proximity to principal transportation routes or raw materials. Expansion of private investment increases the need for transportation facilities, water, housing and power.⁽⁷³⁾ However, Hirschman has argued that after some time public investment requirements will decline relative to private investment and that earnings from prior investments can be used to finance a higher share of public investment. This process, he finds, "is implicit in the term social overhead capital". Thus, public funds are freed for use in other regions and in the long run will contribute toward diminishing regional differences. However, he also notes the "purely permissive" character of the inducement mechanisms set in motion by these investments". In consequence, it also is necessary to endow poorer regions "with some ongoing and actively inducing economic activity of its own, in industry, agriculture, or services."⁽⁷⁴⁾

The position of our approach, on the other hand, is that there is no automatic mechanism which may be relied upon to check the growth of congested regions or to eliminate interregional differences in income and social opportunity. Although public policy measures may be useful in attaining these ends, careful attention must be given to the allocation of different types of public investment (economic and social ones) to different types of regions (congested, intermediate and backward); otherwise, public action may not only be irrational from a strictly economic point of view but may even fail to achieve ends based on social justice.

We consider economic investments^{as}/these that are specifically aimed at supporting directly productive activities and include projects such as roads, harbours and power supply. The social investments, on the other hand, are more concerned with the development of human resources and includes education, welfare, health and similar undertakings. While the investments of the latter type items obviously contribute to the support of directly productive activities, their impact is less tangible than that of economic investment. It will be argued on the basis of long-run opportunity cost considerations from a national point of view that Portuguese public investment in intermediate regions should emphasise economic investment projects, whereas public investment in backward regions should be characterised by a greater emphasis on social investment projects.

On the other hand, the failure of the free market to check the growth of congested regions suggests that public policy measures might be employed to slow down the expansion of congested regions and prevent the expansion of other regions to a point where they become congested. Taxation and credit policy and land-use controls could be used to limit the expansion of investment in directly productive activities applied in congested regions, whereas economic growth in alternative (potential) regions could be encouraged by similar devices as well as by provision of public overhead capital.

Moreover, there seems to be little evidence of any process, such as that suggested by Hirschman, whereby public overhead funds tend to be shifted from regions which have experienced the greatest degree of growth in the past to relatively less developed regions. This does not deny that less developed regions may receive more public overhead capital than in the past, but it is doubtful whether this capital is sufficient to overcome the attractiveness of that available in mature regions.

The studies carried out by the Technical Secretariat (Portuguese Central Planning Office) show that while per capita economic investment outlays are directly related to growth factors, those for social investment are directly related to absolute population size, population density, and degree of industrial and commercial importance.⁽⁷⁵⁾ The data indicate that even if the growth of an expanding area, and consequently its economic investment requirements, should begin to level off, there is no guarantee that public investment as a whole will diminish. In fact, because of increased social investment requirements, areas of concentrated population and economic activity had significantly higher public investment needs than other areas. Of course, to the extent that the former areas are still expanding, economic investment expenditures also will remain relatively high despite a shift in the structure of total investment toward a greater proportion of social investment. Although these results concern local-regional investment requirements, the expenditures in question were financed in large part either directly or indirectly by the central government.

5. On the other hand, another study⁽⁷⁶⁾ carried out also by the Central Planning Agency concerning the comparison of the effect of investments on income and employment by regions reveals considerable differences among them. This demonstrates the signi-

ficance of the investment structure. According to whether the structure of investments was capital or labour-intensive, the effects on income and employment were different. It may be asked in this connexion ^{whether} the investment structure corresponded to the conditions in the particular regions.

Absolute priority was given to investment in industry. The role of this was twofold:

- a) to raise output through the fuller utilization of facilities and
- b) to prepare a long-term decentralization of production by developing the basic industries.

This is why the structure of investment in industry is important for development of all types of regions.

The requirement that output be maximized in the short run brought about the reconstruction and expansion of existing industrial facilities in developed regions, while in the backward areas new units were established. The reconstruction called for a relatively small amount of investment, which could be activated within a short period, thus increasing both output and employment. On the other hand, it took more resources and more time to establish new units and the results produced were, therefore, less spectacular. This is, however, only one of the factors producing different effects. It was much more important that the structure of investments should correspond to regional conditions.

The investment structure was, as a rule, most appropriate in developed regions. The large share of the secondary and tertiary sectors alongside the reconstruction of the manufacturing industry afforded ample scope for the diversification of economic and non-economic activities. Thanks to these factors advantage could also be taken of the external economy. If capital-intensive investments took place in such a structure, they not only did not cause trouble, but most frequently constituted an appropriate growth pole. This question is more complex in backward regions.

How did such an investment structure influence the development of backward regions?

Firstly, one must consider regional conditions which determine sectors and branches and can play the role of growth poles. From the viewpoint of the region, appropriate sectors and branches are those whose formative power occasion the greatest changes in the structure of regions.

Concerning with investments in backward regions, it may be concluded that:

- i) they may be altogether incorporated in the structure of the region, launching a cumulative process of development;
- ii) in the absence of complementary activities it is possible that other regions will benefit from the effects of the investment;
- iii) the effects will be felt by the whole economy and
- iiii) they may in the main serve the export sector.

From the standpoint of the region, the full effect will be obtained only in the first case. However, since regions represent open structures, it is necessary to be aware also of the sectorial priorities of the economy as a whole. The decision-making centralization in Portugal stressed the sectorial structure to such an extent that the position of regions became a passive one.

It could normally be expected that any abundance of natural resources would act as a development pole and facilitate the development of many backward regions. In practice, such expectations were often unjustified. Mining and the extractive industry as well as the construction of electric power stations require heavy initial investments with a high capital coefficient. These expensive nuclei had little influence on income and employment for the simple reason that they did not develop into productive complexes. This type of investments was, therefore, more beneficial perhaps to developed regions, which finished in their manufacturing industry the raw materials and basic goods supplied by the backward regions.

But then which industry would be most likely to be able to play the role of a development nuclei in backward regions?

The above-mentioned reasons point to the conclusion that the industry most suited to conditions in backward regions would be the labour-intensive manufacturing industry, since employment in backward regions contains most multiplier effects. However, these might even be traditional industries, such as the textile or the foodstuffs industry. This fact indicates that the choice of development nuclei cannot be based only or mainly on the properties of various industries (whether traditional or modern, at a high or a low technical level, propulsive or not).

These properties must be adapted to the regional conditions which determine whether one or the other industry will play the role of a development nuclei. In other words, the same industries may develop the greatest formative power in one region and impede development in another. This is the case with the textile industry. Under conditions of agrarian overpopulation and a low development level it was intended that it should play the role of a development nuclei. This industry has, however, become one of the main obstacles to such development in Portuguese regions which have since become depressed.

The logical conclusion that labour-intensive manufacturing industries are far more likely to play the role of development nuclei in backward regions abounding in an unemployed and underemployed labour force, has been confirmed empirically in several countries, namely in Ireland, a country which has a rather similar development framework as Portugal.

This empirical evidence leaves no room for doubt regarding the superior qualifications of the manufacturing industry as a development nuclei in backward regions. However, such a conclusion must be accepted as a provisional one. First, traditional branches of the manufacturing industry can launch the development of underdeveloped regions, but their formative powers are rapidly exhausted. More far-reaching long-term structural changes in dynamic regional development cannot be realized unless another pole is created in the meantime or another branch or group of enterprises becomes a development nuclei. This aspect can be found in Covilhã where the participation of the textile industry has been preponderant. Secondly, the basic goods industry can be a development nuclei, since it has qualities which are lacking in the traditional manufacturing industry (stability of production on the basis of its own raw materials, balanced exchanges with other regions, capacity for expansion, etc.) provided, however, that it grows into industrial complexes.

Why has the basic goods industry not developed into industrial complexes in Portugal? Is it because these effects were unknown or are there other reasons? We hold that it is insufficient accumulation. The distribution of resources for investment financing was full of tensions. Of two alternatives, whether to develop the basic goods industry into industrial complexes or to make use of the free facilities which might undergo minor reconstruction in developed regions, the second was usually chosen. The expensive nuclei of the basic goods industry, due to the high capital coefficient, gave the impression that investments in backward regions were less efficient.

There is, however, no reliable evidence about the lower efficiency in backward regions insofar as the same branches are concerned. Investigations made on this basis in Portugal show no vital differences. The recurrent paradox that abundance in natural resources was often a handicap and that backward regions without natural resources were, thanks to the allocation of the manufacturing industry, sometimes much better off is due primarily to the structure of the investments. The trouble lies in the fact that the basic goods industry contributed ordinarily to a larger extent in backward regions than in the country as a whole or in developed regions. The inevitable investments in huge infra-structure elements and the small use made of them are additional causes. For instance, although the preponderant part of the electric power stations in Portugal is concentrated in the backward region of the North-East, this energy is being utilized often only to a minor extent in that region, while a considerable amount used to be exported to other regions. This was typical "ex-territorial" activity, which was often physically rather than economically present. On the other hand, communications were utilized less because of the underdeveloped economy.

Agriculture is also one of the weak points in the development of backward regions, regardless of whether natural conditions for a rise in productivity are favourable or not. In some backward regions, such as the mountainous parts of the country, tillable land was very scarce indeed. Improvements, due to the expansion of industrialization, could be transferred only in part to agriculture. Because of the small contribution of agriculture, development was mainly dependent on industry and the expansion of social services. The contribution of agriculture could not be satisfactory even in backward regions where conditions for the development of agriculture were relatively favourable. The reason for this

lies in the fact that the agricultural sector has been long neglected in the whole of the economy. In a large extent, the relatively favourable natural conditions for the agriculture development in certain regions of the north and centre were partially neutralized by certain elements of the natural economy, the fragmentation and dispersions of spots and agrarian overpopulation. On the other hand, in the biggest province of the South-Alentejo, the agriculture development, namely the irrigation projects are basically conditioned by the land-tenure system.

4.2.2. TOWARDS A DYNAMIC SOCIO-ECONOMIC REGIONAL INVESTMENT MODEL

Any combination of a given type of region and the nature of public and private investment activity can be defined as a model for resource allocation. Thus, on the basis of the foregoing considerations, an attempt can be made in order to establish a theoretical model of resource allocation in a dynamic perspective and to consider the regional development possibilities of the different types of Portuguese regions - congested, potential and backward-under conditions of public investment..

First of all it is necessary to define the variables and clarify the terms to be employed. I mean the different types of investment. Discussions concerning optimal investment allocation frequently distinguish between investment in directly productive activities (DPA) and in public overhead capital (OC).⁽¹⁾ For present purposes, private investment and investment in DPA are treated as synonymous. OC, however, is divided into two components: social (Soc) and economic (Eco). Projects of the latter type are primarily oriented toward supporting DPA or toward the movement of economic resources and include roads, bridges, harbours, power installations, and similar undertakings. Social projects, on the other hand, are more concerned with the provision of satisfactions which have generally been regarded as noneconomic in nature. Although they may also increase productivity, the manner in which they do so is much less direct than in the case of economic ones. Thus social projects would include such activities as education, cultural projects, health programs, and welfare. Social investment may be regarded, therefore as equivalent to investment in human resources.

Initially, ECO investment is induced by expansion of DPA, which in turn is a function of those costs and revenues entering into internal calculations of private firms. From the social point of view public and private investment is overconcentrated in metropolitan regions to the detriment of other regions. This happens because private costs do not reflect social costs, including many external diseconomies resulting from congestion, and because of the induced role of public investment.

In phases II and III (see the table) public policy imposes constraints - by tax and credit devices and/or land-use controls - on further expansion in congested regions. The passive role of public investment in phase I is superseded in phase II by projects intended to induce DPA in intermediate and backward regions. In phase III, ECO and induced DPA have reached a point in potential regions where changing tasks and needs induce expansion of SOC; as these regions approach optimal concentration the focus of public policy would shift to the balanced growth of backward regions, which populations would have been prepared for development opportunities by the SOC investment of phase II. Throughout both phase II and phase III, though especially in the former, migration should be encouraged (or at least not discouraged) from backward to intermediate regions.

Interregional equilibrium would be attained when the social marginal product (SMP) associated with a given investment is the same for all types of investment (DPA, SOC, ECO) and for all regions.

For any given investment project i in region j ,

$$SMP_{ij} = \frac{X-C}{K}, \text{ where } (77)$$

X = net social product, including external effects

C = cost of materials, labour and overhead

K = capital outlay

X/K expresses output per unit investment, and C/K expresses the value of foregone alternative uses of noncapital inputs. It is assumed that prices are rational and that cost and output streams are discounted to the present.

The problems and prospects raised by these general considerations have a especial incidence in the Portuguese regional policy, which will be examined in the next chapter.

DYNAMIC REGIONAL INVESTMENT ALLOCATION MODEL

INVESTMENT TYPE OF REGION	NATURE OF PUBLIC AND PRIVATE INVESTMENT ACTIVITY		
	PHASE I	PHASE II	PHASE III
CONGESTED	OVEREXPANDED OC AND DAP	PUBLIC CONSTRAINTS ON EXPANSION OF DPA AND CONCOMITANT OC	PUBLIC CONTROL ON EXPANSION OF DPA AND CONCOMITANT OC
POTENTIAL	DEFICIENT ECO	EXCESS ECO CAPACITY	ECO AND DPA APPROACH OPTIMAL LEVELS, INDUCING SOC EXPANSION
BACKWARD	DEFICIENT SOC	EXCESS SOC CAPACITY	BALANCED GROWTH OF SOC, ECO AND DPA
INDUCED PUBLIC INVESTMENT		EXCESS CAPACITY OF PUBLIC OVERHEAD CAPITAL	

5. TESTING THE PORTUGUESE REGIONAL DEVELOPMENT MODEL

5.1. PORTUGUESE URBAN CONCENTRATION

5.1.1. THE METROPOLITAN AREAS

In the period between 1960 and 1970 the trend was confirmed for the existence of two metropolitan areas - one concerning Lisbon and the other Porto - each of them with a global population surrounding 2 millions inhabitants and constituting almost half of the country's population.

Beyond the specific problems of the urban network reconstruction or its economic modernization, there exists a real need for the regional unity and organization of those areas. This need can be already felt by the intensity of the flows. Concerning the motor vehicles flow (see maps) increases of about 200 and 250% were registered in the period 1960/70, not only between the different parts of each metropolitan area as well as to the outside,

The Lisbon area is characterized by an urban stain having a main central nucleus with a very high population density, more or less corresponding to the municipality - Lisbon city, main centre of activities, culture and trade concentration of the all ensemble. Its expansion is developing radially through the main communications axis, assuming special importance the following:

- Cascais axis
- Sintra "
- Loures "
- Vila Franca de Xira
- Axis in the direction of the urban-industrial agglomeration placed at the south part of the river Tagus
- Axis in the direction of Setúbal agglomeration

V. do
Castelo

Chaga

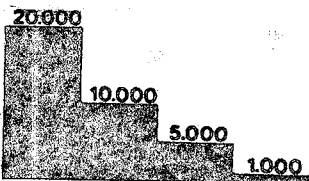
Alfamaraga

Porto

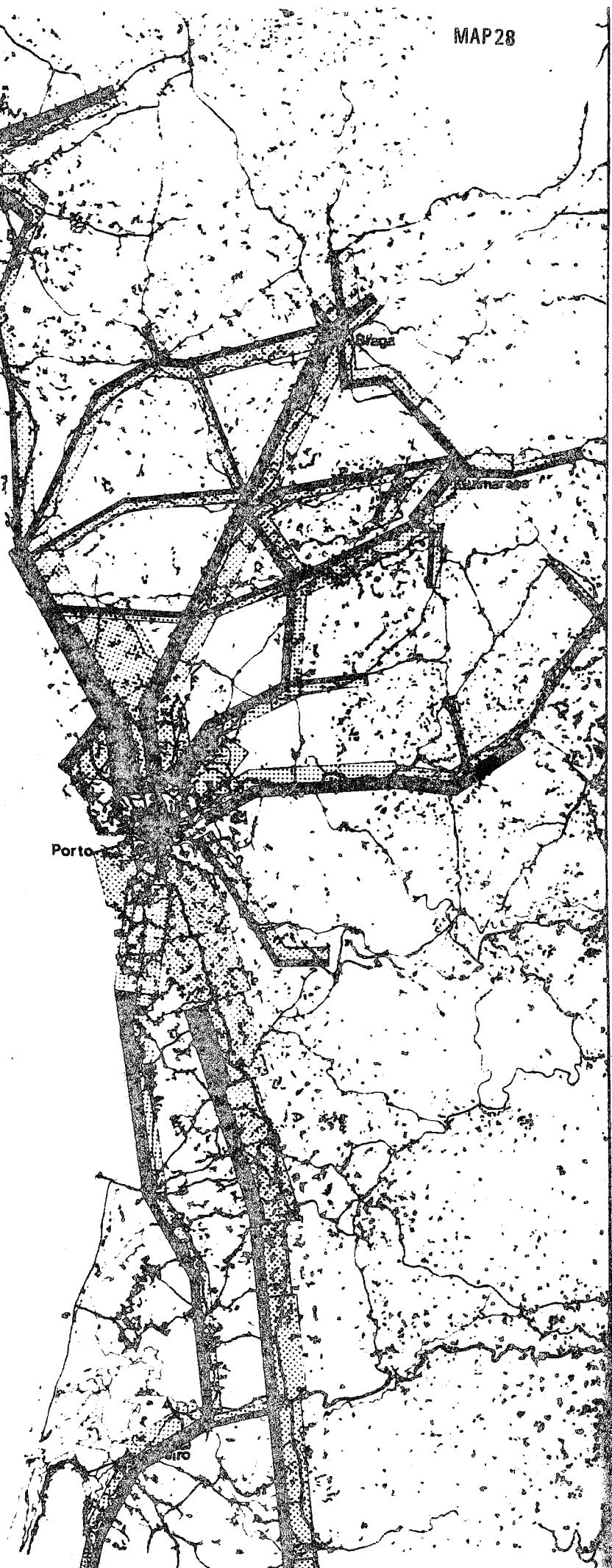
LEGEND

Daily average of road traffic

Scale of intensities
(number of vehicles)



Increase



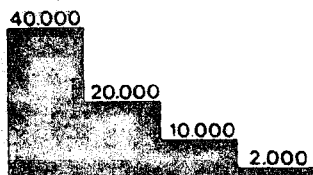
MAP 29



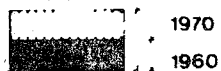
LEGEND

Daily average of road traffic

Scale of intensities
(number of vehicles)



Increase



Moreover, the location of most lines tended to foster population movement toward Lisbon, since priority was given to lines radiating from the capital, often following the routes of the ancient road network.

In the case of Porto metropolitan area, the type of dispersed population distribution which characterizes the north coast, explains basically the reason by which the urban stain in development includes a wider territory.

The central nucleus of the agglomeration, corresponding to the municipality-city of Porto, is expanding through the peripheral municipalities including ^{the} first belt of sub-centres, of which the most important are Vila Nova de Gaia, Matosinhos, Gondomar, Valbom e Ermezinde.

In the direction of this satellite belt one notices the convergence of several axes coming from a second belt of urban centres with a considerable demographic importance, localized at distances under 50 km. Among these centres - in which the trend is for the urban-industrial concentration - the most relevant are placed on the following axis:

- axis in the north-coast direction, including agglomerations such as Vila do Conde and Póvoa de Varzim;
- axis in the north-eastern direction, assuming special importance the Braga sector (including Vila Nova de Famalicão) and the Guimarães sector (including Santo Tirso). This axis penetrates into one of the most populated areas of the region, owning a catchment area of about 500 thousands inhabitants;
- axis into the interior, in the direction Paredes-Penafiel, along which one notices a trend of urban expansion;
- finally in the south direction, the axis Porto-Aveiro, including several urban centres showing dynamism on the point of view of their population growth, such as S. João da Madeira, Ovar, Aveiro, etc., which globally have a catchment area of about 300 thousands inhabitants.

5.1.2. THE CASE OF LISBON

Concerning the housing units in the Lisbon Region we calculated that about one half of them have only two rooms at most and over one half were built before World War I; a large percentage of them has neither bathtub nor shower and is without central heating. A still considerable percentage are without inside toilets, and a small percentage have no electricity. Average living space per inhabitant in the region is very low, in comparison with the corresponding averages for larger provincial cities and the remaining provincial areas.

Congested conditions also prevail in the streets, where 1 million vehicles fight for insufficient parking space or stand lined up bumper-to-bumper at the traffic lights of Lisbon's, wide avenues and major intersections and jammed together in the old narrow streets. One third of the working population of the country is concentrated in Lisbon Region and if one assumes that at least one half of this people work outside of their arrondissement of residence, that means a need of more than 1 million journeys a day! Moreover, in the last decades the number of journeys to work has increased faster than the population, indicating that on the average places of work and residence have become increasingly separated. One can estimate that the average worker spends more than one hour daily going to and from work. (7a)

Whatever the difficulties involved in its calculation, it is certain that the increase in traffic congestion of the big cities results in numerous external diseconomies. A result is pollution of the atmosphere. In the case of Lisbon this problem is still aggravated by the practical inexistence or inefficiency of control on the application of the measures against sound and gas pollution.

Finding that the traffic problem has resulted in serious psychological and physiological consequences for Lisbon citizens one can resume the situation in the following terms: It literally spoils the existence of many of them, bent over the steering wheel from morning on, exasperated by traffic jams, obsessed by the search for a parking place. The abnormal nervousness

of most Lisbon citizens makes them lose not only all good humor but all traditional courtesy, and the provincials are the afflicted witnesses of this deplorable evolution. The politeness of old has been replaced by egoisme and invective. In view of these and similar aspects of the city's congestion, one can conclude that Lisbon lives on a literary and grotesque legend which nothing any longer justifies.

On the other hand, one must consider also the extra social cost of establishing a new household in Lisbon versus that of establishing one in a provincial town. On the basis of talks with different Portuguese urban experts I got the feeling that total public and private investment per extra household in Lisbon was approximately the double of the correspondent in the provinces (excluding differences in land prices) and the same relation could be also found not only between the cost of the establishment of a new household in Lisbon and, on the other hand, in the provinces, but also in the cost of equipment for public services caused by the location of a new family in the suburbs (roads, schools, hospital equipment, fire and police protection, transportation, etc.) in comparison with a provincial town. It should also be noted that numerous psychological and physiological costs of congestion are not reflected in these estimates.

But, it can be argued that another current of opinion maintains that there is no evidence in the Portuguese case which would justify tampering with the market mechanism. Specifically it is normal to hear that i) possible external diseconomies of large urban agglomerations have not been demonstrated, and ii) even if diseconomies did exist in the public sector they might be outweighed by economies in the private sector. In support of the first point, one argues that the evidence showing that per capita public expenditures in Lisbon are substantially higher than elsewhere in Portugal does not in itself indicate the presence of diseconomies, for per capita services may be correspondingly great, i.e. the values of the marginal product have not been compared with the marginal costs.

Several factors do not accord with this interpretation. First even if the short run ratio of marginal product to marginal cost for investment in Lisbon were equal to or greater than that in other regions, the long-run effect is likely to be undesirable because, as argued before, the high profits of private firms will tend to increase further the concentration of population and economic activity and result in concomitant increased social costs.

Furthermore, one must consider that the fact that population and economic activity are so concentrated in Lisbon does not prove a corresponding residential preference pattern. Using again the example of the French experience one can refer that this aspect was clearly indicated by a well designed survey of 2,318 persons in 185 French localities which was conducted in 1959 and 1960.(79) The purpose of this survey was to establish the nature of public opinion regarding the nation's demographic evolution.

According to the enquiry the respondents were asked the following question: if you were absolutely free to choose and could dispose of the same resources as you now have, would you prefer to live and work in the countryside, in a town of moderate importance, in a large provincial city, or in Paris? The responses, by actual place of residence class, are presented in the following table. They show that most people would prefer to remain where they are or in a locality of more or less similar importance, except in the Paris agglomeration, where only 44 per cent would choose to remain where they are. It is also pertinent to note that in the subsamples for the other classes of actual residence, the proportion of persons who would choose to live in Paris ranges from a minimum of 3 per cent to a maximum of only 8 per cent. The proportion of the entire national sample who would prefer to live in Paris is only 9 per cent.

TABLE 14

Preferred place of residence by actual place
of residence, France, 1959-60

Preferred residence	Actual Residence (by population size class)					
	< than 2.000 inhabitants (per cent)	>2,000- <5,000 inha. (per cent)	75,000 < 100,000	>100,000	Paris	Total
Countryside...	64	48	14	14	18	38
Small town ...	24	31	57	15	23	33
Large provincial city ..	8	14	20	60	14	18
Paris	3	5	7	8	44	9
No answer	1	2	2	3	1	2
Total	100	100	100	100	100	

Fonte: Alain Girard and Henri Bastide, "Les Problèmes démographiques devant l'opinion", Population, XV (April-May, 1960), p. 271.

From the general results of their study, Girard and Bastide conclude, "If the expressed aspirations could be satisfied the movement away from the countryside, however, vigorously condemned, would continue, but a regroupement would be made to the profit of medium and large provincial cities, and Paris would cease to grow. Thus, one of the most important results of this study is that decentralization efforts conform to the wishes of the population."(80)

Concerning the Portuguese case, what one can say is that given ^{the} present growth trends, public opinion favoured government action to rationalize the expansion of Lisbon growth. This attitude was expressed by the Lisbon Regional Planning Committee and is accepted by the greater part of those living in the Lisbon area.

Whether or not these phenomena should be of concern to economists depends on the nature of the issues and problems behind these subjects. But, till now, the social scientists have not devoted serious attention to the analysis of such "urban" phenomena as hyperintensity of individual and collective activity, absence of satisfactory social life, egocentrism, and the like. These factors were not usually mentioned in the Lisbon area studies. It is quite possible, of course, that problems of a sociological or psychological nature are considerably more important than the economists themselves realize. Nevertheless insofar as government preferences and actions are a response to alternative preferences, these findings imply that policy should be oriented primarily toward the solution of problems which are primarily economic, for the single common reason in all of the major grievances officially pointed out is that of space economy.

Anyway, on the basis of the recent development, one can assume that the social costs of urban congestion are considerable and that they are significantly felt by the populations involved. Even so, it may be argued, as sometimes was done, that it would be naïve to limitate and regulate expansion of the Lisbon area, because even if it were possible to prove that there are external diseconomies related to its expansion, then enterprises in the Lisbon area should be charged an amount equivalent to the estimated gap between private and social costs". While this proposal may be theoretically sound it is not operationally feasible, for it is generally impossible to measure the social costs of adding a given firm or plant.

How, for example, would one weigh the effects of smoke or fumes from a particular plant against those from homes, other plants, and automobiles? To what extent must public investment be increased to provide parks, police protection, and streets for population attracted by employment opportunities at a new plant, and to what extent must intensive investment (both public and private) be increased to compensate previous residents for the increase in congestion directly or indirectly attributable to a new plant? Even if it were possible to compute over-all regional averages for these various cost categories, how could they be applied to a given plant when space is not homogeneous, i.e. when the social costs at tributable to a plant would vary according to its location within a region? To make policy decisions dependent on the ability to answer questions like these is in effect to preclude public action.

Although the Minister of Public Works established a committee in 1959 to study problems related to the growth of Lisbon metropolitan area with the authority and means to prepare a development plan for the region (Guiding Plan of Lisbon Metropolitan Area) this Plan was not applied till now. It required another eight years before a plan concerning specifically the Lisbon-city was actually drawn up, and till now both of them have not gained final approval from the government.

The principal aims pointed out in these programs were to decongest the center of Lisbon, primarily by renovating old sections, to modernize and beautify the center, to expand the amount of green space available, to change the road network (traditionally radial), and to foster consolidation and increased cooperation among suburban communes, and, on the other hand, between the peripheric municipalities and Lisbon municipality. It was also suggested that rural regions be made more attractive to help check the flow of population of Lisbon.

These studies became the basis for the Guiding Plan of Lisbon metropolitan area. This Plan laid down the following general development principles:

- i) The urban organization of the Region on the basis of development nuclei surrounding Lisbon;
- ii) The creation of five "urban nuclei" at a distance of about 5 kms, from the center of Lisbon-city and constituting together the agglomeration of Lisboa-Almada, Sacavém, Loures, Amadora e Algés;

- iii) The creation of nuclei in the directions Sintra, Estoril, Vila Franca de Xira and south part of the Tagus, at a distance of about twenty kilometers and presenting a wider autonomy;
- iv) The creation of two intermedium centers - Malveira and Pinhal Novo;
- v) The creation of new towns placed on the Lisbon's periphery - Setúbal and Torres Vedras - with a high degree of independence.

Thus, the Plan was based on two main principles: to promote a better distribution of the agglomeration's population by decongesting the center; and to organize and redevelop the whole of the region to provide better living conditions for the existing population. However, the Plan had serious gaps and flaws. Since it was primarily concerned with controlling the growth of the agglomeration, it neglected the central city (which explains the need for the elaboration of the Lisbon-City Plan in 1967). As has frequently been the case, the power of Lisbon's attraction, as well as the future growth of the region, were underestimated and as a consequence the boundaries fixed for the agglomeration were unrealistic and the provision for public services inadequate. This aspect is clearly shown by the following table, in which one compares the forecastings of the Guiding Plan and the effective population according to the recent census of 1970.

TABLE 15

Population sectors	Effective (1)	Forecasting (2)	(1)-(2) × 100 (3)
Region	1.852.137	1.799.774	+ 3
Lisbon agglomeration	1,188.258	1,160.640	+ 2
Estoril	107.927	84.680	+27
Vila Franca de Xira.	65.035	55.773	+17
Sintra	55.663	37.032	+50
South Part of Tagus.	187.568	171.504	+ 9
Rural areas	167.541	165.702	+ 1

As so far the "Guiding Plan" only presented the population forecasting at 1985, we have calculated the tendency 1960-85 in order to determine the possible population forecasted for 1970.

Furthermore one must notice that there is only an apparent coincidence between the effective and the forecasted population of Lisbon agglomeration because this fact is explained by the differences registered in Lisbon city and in the peripheric nuclei as the following table shows:

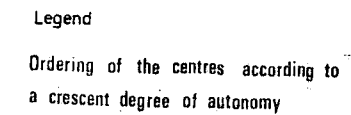
TABLE 16

	Effective	Forecasted	(1)-(2) x 100
Lisbon City	782.266	859.991	- 9
Peripheric nuclei ..	405.992	300.649	+35

Moreover, the attempts to develop the agglomeration in terms of what was held to be the public welfare were often opposed to the rights of private property owners.

Meanwhile, the "Ordenamento do Território" report was approved by the Government expressing the determination for a new organization of the spatial structure of the country, and in the sequence it was determined that the "Guiding Plan of Lisbon Metropolitan Area would be revised so as to be in harmony with the "Ordenamento do Território" policy.

For the future, the "Guiding Plan" views the development of new urban centers as the remedy for the underequipment of the suburbs and the overcongestion of the center. To assure an adequate amount of land for construction and green space, it will be necessary to choose sites on the fringe of the present agglomeration. This will facilitate construction of transportation facilities and enable the inhabitants to live close to their places of work and still be near the countryside and facilities for leisure activities. Thus, the growth of the population will be channeled along certain "preferential axes", chosen to fit the physical, economic and human geography of the region. The principal axis will be: the direction Caldas da Rainha-Leiria, the direction Santarém-Torres Novas-Tomar-Abrantes and the direction Évora.



SCHEME OF LISBON GUIDING PLAN

The main question is if the new scheme will be able to break with the radial-concentric pattern which has heretofore contributed to the region's difficulties. Along these new axes a series of new centres and towns will be built, and transportation facilities will be provided to link them with one another as well as with Lisbon. One of the main aims of the new towns will be to provide self-sufficient communities where people can live and work without having to make long journeys. This implies, of course, that each new centre must be able to provide a complete range of commercial activities, services, and recreation. In order to have a reference pattern we notice the forecasted population at 1985 for the main population sectors.

TABLE 17

Population Sectors	Forecasted population at 1985
Metropolitan Region	2.300.000
Lisbon agglomeration.....	1.370.000
Estoril sector	125.000
Sintra sector	64.000
Vila Franca de Xira Sector ,.....	85.000
South Part of the Tagus	122.766
Setúbal-Palmela	57.453
Rural areas	152.739

Source: Guiding Plan of Lisbon Metropolitan Area

The "Guiding Plan" certainly is the most realistic effort made to date to deal effectively with the problems of the Lisbon Region. But, instead of proceeding in the pious hope that somehow the region's growth will be checked, one must project it in the future and assuming that by the year 2000 the region will have at least 3 million inhabitants, that is a population two-thirds greater than at present. It is also reasonable to forecast that industrial surface will double, that office surface will triple, that housing surface will increase fourfold or fivefold, and that the number of automobiles will reach the 600 thousands (at least).

One must stress, repeatedly, that these projections do not represent the desires of the planners, but rather are the facts the planners will most likely have to face. Given this viewpoint, the Plan's attempt to create real towns instead of mere dormitory communities is indeed admirable, yet the Plan also presents numerous difficulties.

First of all, it presents no detailed estimates of the financial requirements of the projects which it envisages; nor is there any suggestion of the financial means which would be most appropriate, much less any weighing of possible alternatives. Thus, even if it is assumed that implementation of the Plan would be desirable, it is questionable whether public pressures will be sufficient to bring about improvements until problems of increased congestion have arisen. As the planners themselves clearly realize, it is much more expensive to improvise hasty solutions in the face of delays than to act in anticipation of future problems. Yet the absence of financial considerations in the Plan definitely represents an opportunity lost to inform and clarify public opinion in this regard.

If there is little evidence from the past to suggest that public opinion will effectively anticipate the region's future needs, there is no more reason to expect that this will change in future. In fact, the local authorities who would be most directly concerned with implementing the Guiding Plan have already demonstrated their unsatisfaction to it. Moreover numerous reservations to the Plan have been formulated and in this sense the principal fear is that application of the Plan would benefit the fringes of the agglomeration to the detriment of Lisbon proper. In this framework, it is increasingly evident that the development of new urban centers will have to depend on some administrative authority superior to that of the communes and municipalities.

Thus, the Guiding Plan for the development of Lisbon metropolitan area presents four principal difficulties. First, it does not make adequate provision for financing projects which it proposes to undertake; second, it lacks necessary support from both Lisbon local authorities and those in the surrounding communes; third it fails to provide an institutional framework and an administrative machinery for the creation of new urban centers; and fourth, the evidence that any ultimate solution for checking the growth of a congested region such as Lisbon will have to involve the growth of existing urban centers at a fairly considerable distance from the congested agglomeration.

Finally, it is necessary to put the Guiding Plan in the context of an integrated policy for regional development in Portugal as a whole, namely the framework given by the "Ordenamento do Território" policy.

One argument could be that the very existence of a Guiding Plan for the Lisbon metropolitan area serves to create a situation of "disequilibrium" to the detriment of other regions, which have not been given ample opportunity or means to prepare similar documents for themselves. Thus, the fear is expressed that because the Guiding Plan specifies precisely what projects need to be undertaken in the Lisbon Region, it could have as a harmful counterpart the abandonment of operations anticipated, but less well defined, in other regions in cases where such a choice becomes necessary. For this reason, the main objection seems to be psychological, i.e. that once the principle of growth and expansion is admitted the Plan may come to be viewed as a more or less adopted problem of development.

On the other hand, there is a conviction that projects for a re-equipping of the Lisbon Region should be financed in an increasing proportion by the region's own financial means, both to avoid a curtailment of the limited means for developing other regions and to pave the way for a policy of prices which reflect true costs, which constitutes, in the long run, one of the basic solutions to the problem in question.

If Lisbon requires modernization, then it would be unjust and antieconomic for the strongest region not to support directly an important part of the effort undertaken to equip it. The principal measures foreseen in this regard include raising prices for the use of public transportation, payment for parking and raising prices for water. Moreover it makes clear that this is a matter not just of raising funds, but of creating a price structure to facilitate rational decision-making in terms of regional policies. In order to clarify the ends and means of "ordenamento do território" it is appropriate to introduce progressively pricing and fiscal measures which tend to make enterprises and households pay the true costs associated with their localization at any given point in the country.

While the aim of Portuguese policy-makers to charge rational prices in the public sector certainly is desirable, there has been relatively little attention paid to the exact meaning of a rational price. The general impression given by official docu-

ments is that prices should be high enough to cover average costs, and one reason is that government subsidies could then be withdrawn from numerous undertakings. This in turn would facilitate the achievement of a balanced budget and reduce inflationary pressures, which are among the recent major preoccupations of Government policy. But in view of the rising average costs which characterize the provision of most services in the Lisbon Region, charging a firm or household a price that covers the average cost associated with it locating in Lisbon would not require payment of an amount equivalent to the true costs of implantation, i.e. the marginal cost. Thus average cost pricing, though it may improve on the present situation, would still not provide correct signals in terms of either economic rationality or the stated aims of the Fourth Plan. The marginal cost pricing may frequently prove operationally unfeasible, but this should not cloud the basic issue or leave one satisfied with incorrect choices.

The general aim of price policy should be to encourage more economical use of scarce resources; where excess demand results in congestion or other undesirable consequences prices should be raised. On the other hand, underutilized resources do not justify price increases. Where feasible, prices should be varied to reflect differing intensities of use during different time periods. Moreover, price policy concerning any given activity should take in account its effects on other activities, i.e. mutually interacting activities should be regarded as parts of a general system and not as isolated cases. Public policy relating to Lisbon as well as to Portugal as a whole is far from realizing these objectives, and often it is doubtful if they are really understood.

Resuming, there is little doubt that the Lisbon agglomeration is characterized by a strong concentration of population and economic activity. The undesirable consequences of congested conditions in the region are being pointed out by public preferences: a substantial majority favours public measures to rationalize and to organize the growth and expansion of Lisbon. Yet the city continues to grow, largely because of the presence of considerable external economies which attract private enterprise, and because external diseconomies are not sufficiently incorporated into the costs of firms.

Pressures arising from both past neglect and continuing growth have created an obvious need to modernise existing public overhead capital and to provide additional facilities for new population and new activities. Past efforts in this regard have failed

largely because the future needs were underestimated. The preparation of the "Guiding Plan of Lisbon Metropolitan Area" for guiding the growth and modernization of the agglomeration represented the first realistic attempt to present solutions on a dimension compatible with the problems posed. Nevertheless, difficulties remain and especially the main need is to get the final approval of the Plan and to harmonize it with the "Ordenamento do Território" report, namely through specific proposals of the Lisbon Regional Planning Committee.

To consider only the problems of its application to the region itself the "Guiding Plan" i) fails to make provision for financing the proposed projects; ii) has little support from local authorities; iii) fails to provide the institutional framework and instruments appropriate to the creation or development of the proposed urban centers; and iv) probably overestimates the extent to which new towns will solve the region's difficulties, especially in view of the disparity between the available means and the magnitude of projected aims.

In an interregional context, fears can be expressed that the very existence of the "Guiding Plan" along with its assumption of continued rapid growth of the Lisbon Region, will only serve to accentuate present regional disparities. This aspect deserves careful consideration, especially in terms of the opportunity costs associated with alternative public investment policies, requiring a detailed examination of the nature and consequences of present decentralization efforts as well as the prospects of and difficulties involved in these efforts.

5.2. THE DEVELOPMENT OF POTENTIAL AREAS AND THE "GROWTH CENTRES" POLICY

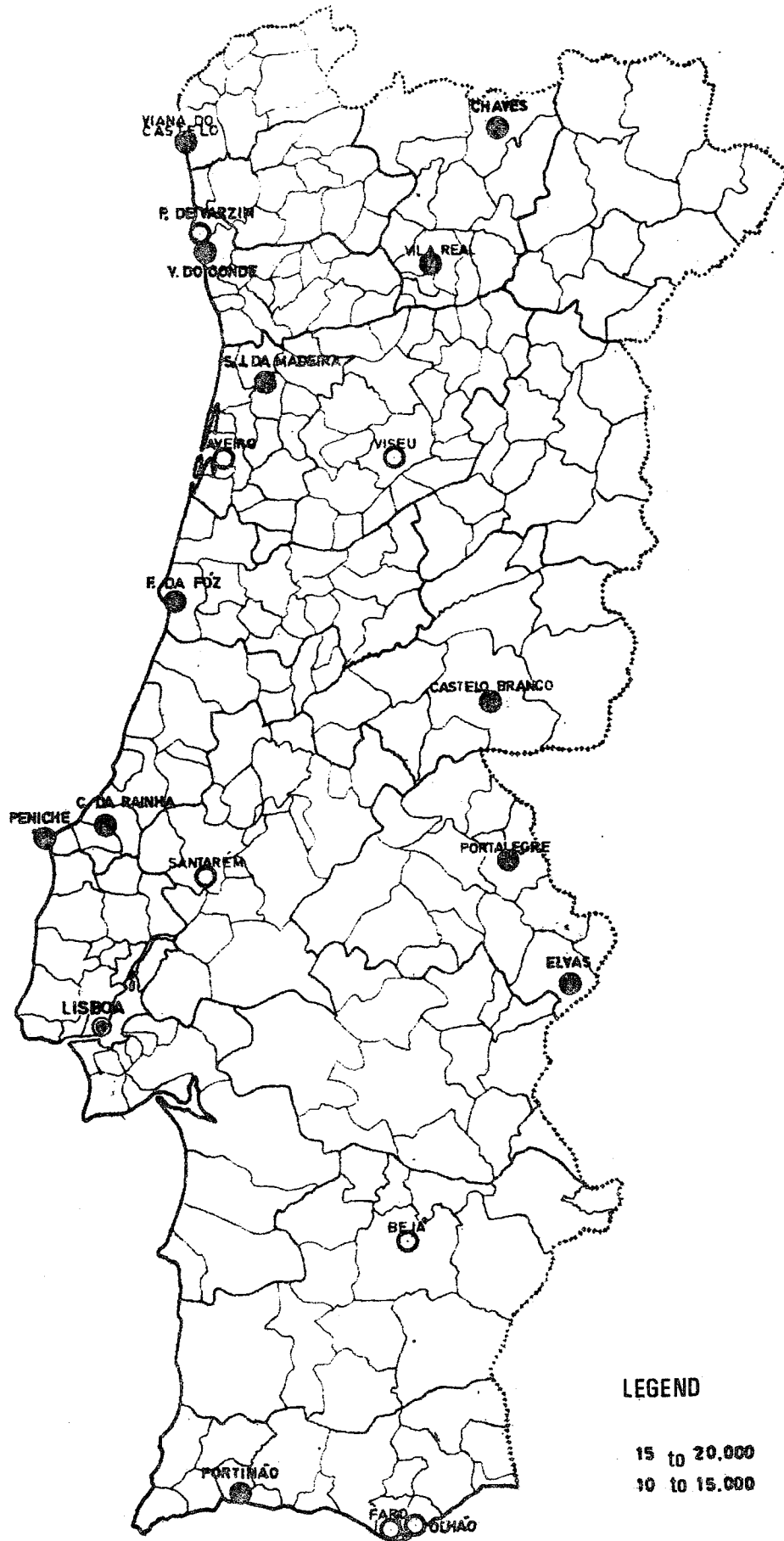
Thus, in Portugal there is a pronounced imbalance in the urban structure and especially the Lisbon share in the total population and higher functions of the country is excessive, while the towns next in order of size appear relatively under-developed. In effect, Portugal has, in Lisbon and Porto, two cities with populations of over 500,000 inhabitants which are well above the line of normal regression, while the next towns in order of size are well below that figure, none of them having more than 50,000 inhabitants. What seems to be lacking in the case of the country is a small number of medium-sized ^{al} region centers. (81)

As was stressed the "growth centres" concept represents the dominant aspect of the Portuguese "Ordenamento do Território" policy and is taken as a possible solution to the regional imbalance and to the decline of the countryside. It had been sharply underlined in early 1965 during the first visit to Lisbon by the French advisor on regional planning, Mr. Viot and now is an accepted basic idea in regional planning that it is necessary to develop urban growth centres as focal sources of vivification of regions. It follows from the observable and measureable empirical fact that economic growth always takes place at certain focal points, from which it radiates in different directions.

The dynamics of growth points, as it is called, is well documented. Thus, Mr. Brian Berry, in a paper entitled "Some Relations of Urbanization and Basic Patterns of Economic Development" (1962) says: "One thing is certain: that economic advancement is related to urbanisation". (82) Again, the United Nations symposium on "National Policies for the establishment of new Towns" (Moscow, 1964) concludes: "Such towns would not only accommodate new activities but could encourage and reinforce the incentives for such development, especially in the less developed regions of a country." (83) And Mr. Harold Carter, in a paper on "Mid-Wales: Problems of Regional Planning" writes: "The association of economic growth with continued urbanisation is close." (84) Finally the report on "regional planning an european problem" of the Council of Europe (1968) states: "urbanisation has altered the whole character and function of our towns and even the concept of what a town is has changed: from being a centre or nucleus, it has become a "surface phenomenon". Its identification is no longer a matter of its relation to the countryside, but of how far it spreads over it." (85)

URBAN CENTRES FROM 10 TO 20 THOUSANDS
INHABITANTS
(1960)

MAP 31



LEGEND

15 to 20,000
10 to 15,000



This same thinking is reflected in Portuguese regional planning. It was already to be found in the Third Development Plan (1967), in its observations on the choice of industrial location.⁽⁸⁶⁾ It was one of the leading ideas in Mr. Viot's paper on Portuguese regional planning (1966), which insisted that "the review of town functions must be studied by planning authorities with a view to deciding on targets for urban expansion which will be realistic in recognizing that some towns, because of their position, their resources and the history of recent development will make faster growth than other towns" and added that "the identification of these towns must be part of the planning process".⁽⁸⁷⁾ Finally, it was a characteristic of the planning minister's speech on the occasion of the nomination of the presidents of the regional planning committees (1969).

It is important to note that this "centres idea", as expressed on these occasion, is neutral as far as the size of the centres is concerned. Or rather should I^{add} that there is room in the idea for a series of centres, bigger and smaller. This is obvious, for example, in the text of the Third Development Plan, in which there was explicit mention of both regional and countryside centres: "Towns which offer the best prospects of rapid growth would constitute what might be termed primary social and economic growth centres. The surrounding towns and villages which would benefit from the growth of the primary centres would constitute secondary centres and in turn the secondary centres would have their own satellites which might be termed tertiary centres".⁽⁸⁸⁾

I think it is fair to say that between that time and the appearance of the "Ordenamento do Território" report about two years later (1969), there was a good deal of doctrinaire debate relating to the question in various circles whose interests touched the matter; the course of the year saw the emergence of a strong and articulate body of opinion which came down heavily in favour of what the report had called major "growth nuclei" or poles of development to a relative neglect of secondary centres.

Accepting as unavoidable a very considerable falling off in agricultural employment in the future and accepting also the desirability of providing new jobs for those made redundant in agriculture, people argued in this way: the problem is, where should the new jobs be provided? The first and over-riding requirement is that as many as possible of the new jobs should be provided in Portugal, and not abroad or in oversea territories. But where within

Portugal should the new jobs created? Here, there are three possibilities, first in rural areas and in the small towns and villages which are near the farms from which the labour will be moving. Second in the Lisbon and Porto regions: while this would not directly help the rest of the country it is nevertheless a possibility worth exploring, if only because the whole of this country would be regarded as a small region by French standards, for instance. The third possibility is to provide the new jobs in selected centres outside of the Lisbon and Porto areas.

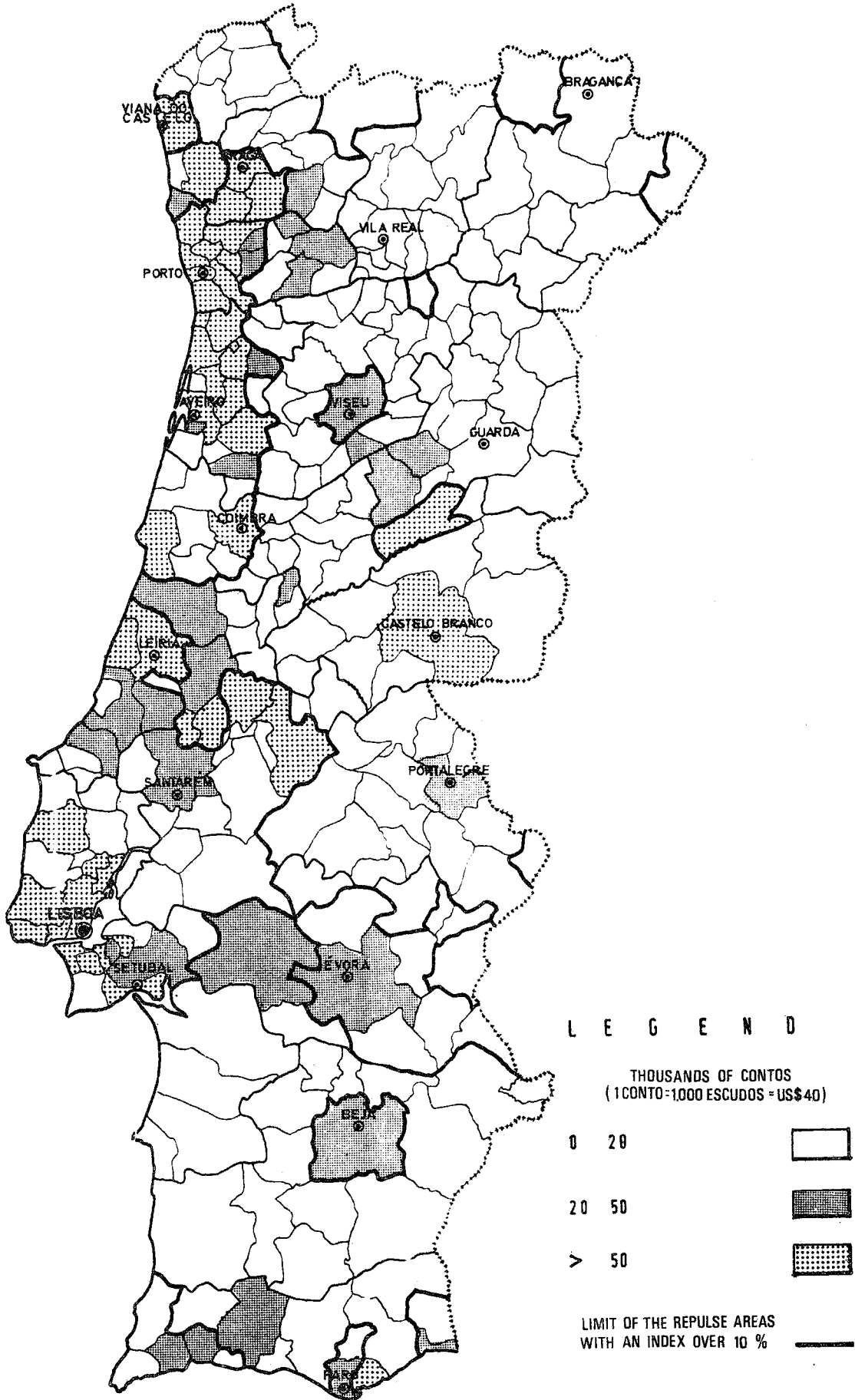
Examining each of these possibilities in turn one had little difficulty in rejecting the first, because of the economic disadvantages suffered by what was termed "rural areas" in the matter of industrial location - high transport costs, both for goods and workers; few business contacts; a lower degree of vocational and technical education; and less facilities for the servicing of industry. They also rejected the second possibility, because, although it cannot be said that saturation point has yet been reached as far as Lisbon (and Porto) is concerned further growth in the Lisbon area would create its own problems.

Hence they declared in favour of the creation of centres for major industrial development such as the six selected development poles mentioned in the "Ordenamento do Território" policy, that means:

- i) Coimbra
- ii) Faro-Olhão
- iii) Braga-Guimarães
- iv) Covilhã
- v) Évora
- vi) Torres Novas-Tomar-Abrantes

It was argued that if sizeable concentrations in industry could be built up in a number of selected towns, then arrangements for the transport of materials and finished products could be extended, developed and improved both with ease and economy. In such centres, essential technical services would soon be provided by specialist firms, for it would be worth their while to do so. The lo-

RELATIONSHIP BETWEEN THE INDUSTRIAL LEVELS AND DEMOGRAPHIC MOBILITY



cation of a number of factories in a particular area will help to establish and develop an industrial tradition and gradually build up a pool of skilled labour. And as these things emerge, they will tend to make the area even more attractive so that more industry will be drawn to it.

Speaking on the subject of "the role of development poles in regional development" people defend that the full possibilities of regional development in Portugal can only be grasped by a conscious decision to build up a small number of major industrial centres and at the same time the slowness with which this whole matter was being tackled was deplored,

5.2.1. THE NEED FOR SECONDARY CENTRES

There were some who were not quite satisfied with this approach. I myself was among their number and said so on more than one occasion during the period we are speaking of. The point of view with which I was concerned is contained as succinctly as possible in a contribution to the wide seminar of 1970 organized by the North Regional Planning Commission. The problem, I said, concerned the concept of centres of development: "In the context of the debate as to whether these should be big-centres or medium centres or whether they should be both big and medium, I would like to see both big and medium developed at the same time... I think we would all be in agreement that the very small places cannot be considered in this context, but I certainly would emphasize the role of the medium places and do not at all agree with rather exclusive attention to the big centres. I do not think that we should concentrate on a small number of industrial growth centres. As far as the choice of pole is concerned I would agree that choice of poles should precede the definition of the region, or perhaps it might even be better to say that the choice of pole should accompany the definition of the region, because it is difficult sometimes to decide what a pole is unless one knows what region it services.

But I hate to hear reference to the pole of the region because this surely is assuming that we are going to plan merely for one pole in each region instead of a number of medium centres within each region together, of course, with a pole, because each region does have an existing pole already. If we concentrate on the one pole in each region and wait until later for the development of the medium ones, I believe that we will not have the wherewithal to develop the medium ones in that future. The possibilities will have disappeared. We are aware already of the manpower problems some places have, even where industry is prepared to come in. There will be no manpower in the future in what are now the medium centres if we concentrate on the big poles exclusively now. Let us therefore take a long look at this problem, and not a short-term one linked with a narrow concept of what are called economic considerations. We are planning for places, we are planning for things but, above all, let us remember, we are planning for people."⁽⁸⁹⁾

The question was whereas some favoured a concentration on primary centres, at least for a first period of development,

I argued that it was important that, even during that time, there should be regional development plans for at least some secondary centres also. Furthermore, I pointed out also that "the identification of development centres in a region is a complex matter which can be done only after a careful and comprehensive study of the whole region covering, inter alia, the likely trends in population growth, the existing infrastructure and the functions of the towns in the region."⁽⁹⁰⁾

The Government, naturally enough, sought the optimum solution - for political as well as for social and economic reasons. Thus, according to the "Ordenamento do Território" report the Government policy accept that the concept of development centres, i.e. places which, in addition to the established centres of Lisbon, Porto and Coimbra, are likely to become the commercial, financial, educational, health, social and administrative centres of each region, and at which industrial estates should be set up, can be an effective means of promoting the further expansion of economic activity...

The centres selected as growth poles are the following:

- i) Braga-Guimarães
- ii) Covilhã

iii) Torres Novas-Tomar-Abrantes

iv) Évora

v) Sines⁽⁹¹⁾

vi) Faro-Olhão

On the other hand, the Government accept the opinion that development poles and industrial states will not be exclusive as^t promoting development in all regions. It is envisaged that secondary centres, serving the integral agricultural development areas, must fulfil an important role and that they will benefit from growth at the primary centres. Thus, the Government consider that the decentralization of industrial activity throughout the country, where this is economically feasible, yields important social advantages, and, in the administration of the industrial grants scheme, the location of industries in other centres will be encouraged.⁽⁹²⁾

The government, through the "Ordenamento do Território" report, made clear that their statement on development centres does not mean that economic expansion is to be confined to a few major regional centres, leaving smaller towns and villages and rural areas to fend for themselves. The primary centres (or big development poles) are intended to generate increased activity and rising incomes over a large area. The benefit of building up strong regional centres include increased opportunities for non-agricultural employment in a wide catchment area, with a pattern of commuting developing; increased demand for agricultural produce and services; improved social and recreational opportunities and a general raising of the vitality of the towns - what the French Planners call "urban animation". The government envisage that secondary centres will benefit from growth at the primary centres. Each development centre will be a focus of development in its own hinterland area.

Thus it is that a policy has at last been worked out which - on paper at least - satisfies nearly all partners in the discussion. The proponents of the system of major development poles have certainly not been ignored because it has been decided to develop a limited number of primary centres. But neither has the view been rejected that some attention should also be given to the building up of some secondary centres.

5.2.2. SOCIAL ASPECTS ON PLANNING OF SETTLEMENT PATTERN

All planning-including regional planning - is social planning from a certain point of view. This is because it concerns the development of human communities.

What I would like to stress now is that the fact that there is a human, a social, side to all planning, as distinct from the physical and economic side, is of considerable importance in the Portugal of today and consequently for the future settlement pattern.

Furthermore, I would like, however, to pose a threefold question. First, to what extent does regional planning for settlement pattern necessarily entail social change? Secondly, is the regional planning capable of variation in such a way as to permit the effecting of more than one form of social change? Thirdly, if so, which form (i.e. of social change and the reform of economic physical planning) do we want? I am assuming, needless to say, that if choice is open to us, we will want to choose and will refuse to be led by haphazard or arbitrary decisions.

The first question is answered easily - in the affirmative. The Portuguese model for regional development, at present taking place necessarily involves a transition from a predominantly rural to a predominant urban society. So much so, indeed, that it might properly be said that Portugal is undergoing an urban as well as industrial development.

The second question, namely whether this development is capable of being effected in more than one way, can also, I am convinced, be answered in the affirmative. Urban-industrial culture is not necessarily a univocal concept no more than what is called the industrial revolution is univocal. In Portugal the process of industrialization and urbanization, with its accompanying socio-cultural changes would seem to be able of achievement in two ways. It can be effected along the lines of the industrial revolution in Britain, i.e., within a pattern of relatively few large urban complexes, with a predominantly city-type culture, or it can crystallise around a pattern of some larger and some smaller urban centres (following for instance the dutch pattern), of a kind that will ensure the continued survival of a rural culture in Portugal side by

side with and properly integrated with a city culture. In short I believe it possible to create a new Portuguese culture that will be "urban" without entirely ceasing to be "rural".(93)

It seems that under altered conditions we may rightly talk not only about the urbanization of the village, but also about the ruralization of towns. Huge contingents of the labour force arriving from the country cannot be quickly assimilated and adapted to their new urban environment. It would, therefore, be daring to contend that the coming of the rural population to town means, under such conditions, a qualitative change. The creation of the urban society in the proper sense of the word calls for a much greater assimilative capacity than the existing urban population can possess on account of its numbers and cultural level. This question calls for critical analysis of the structure of the urban population. All these analyses reveal that we cannot look at urbanization simply as a positive process functioning in one direction only.

The penetration of the rural population in towns, involving questions of habit, custom and cultural standards, signifies not only the slower development of urban society, but also a long term ruralization of towns. Statistical data for the urbanized population conceal a variety of different degrees of urbanization, ranging from the group of inhabitants, perhaps not very numerous, who, immune against the urban culture, have altogether retained their former way of life, to the much larger group of inhabitants who fully accept the urban way of life, particularly in respect of clothing and manners. Migration to towns puts people under pressure to change their personality as well as to accept the norms of urban behaviour. It is, therefore, an open issue whether they will be able to adapt themselves altogether to the cultural and other requirements of urban society or whether this will not be possible until the next generation.

The fact that some social groups, such as worker-peasants, reveal both tendencies simultaneously indicates the extent to which urbanization and ruralization are interwoven. As I have put it elsewhere,(94) this category occupies already an important place in the new Portuguese social stratification. This is the labour force from the country which is constantly employed in industry, while their families live in villages as peasants. Worker-peasants come to work every day. Some of them take temporary quarters in town. This category with its customs and habits represents a ruralizing factor in towns. However, since worker-peasants have accepted urban customs

and habits under the influence of the environment in which they work, they appear also as agents of the urban way of life in the country. This mutual influence of urbanization and ruralization diminishes the considerable differences that formerly existed between the country and the town. It does not do away with these differences, of course. What is involved is a specific and temporary hybridization of urban and rural society, the nature of which is not yet wholly clear.

The case of the worker-peasants indicates how difficult it is to determine the domain of urbanization in the present situation and to draw a clear line between urban and rural society. It is difficult to draw this line even if we stick - as we must - to the traditional criterion of urbanization, namely the percentage of the population living in towns. In many small and medium - sized towns there lives a homogeneous rural population, which is not only engaged in agriculture, but also leads a predominantly rural life. Big towns have also incorporated small towns and many villages in the environs because of their rapid economic and administrative expansion.

At this point it is obviously desirable to devote some attention to the meaning of the concepts of urban and rural. This, in turn, of course, is by no means easy as quite a number of criteria distinguishing between them are proposed. These criteria include local designation, classification for administrative purposes, the kind of activity engaged in, and the number of inhabitants (the Portuguese limite being 10.000 inhabitants). As pointed out by many sociologists, however, all these criteria leave much to be desired. Rather, it is suggested, should one adopt a cultural viewpoint. In other words, the idea has been promoted that it is more feasible to determine broad patterns of diffusion of urban and rural culture than it is to fix on precisely delimited urban centres and rural areas. If one adopts this approach, and there is much to be said in favour of doing so, then the rural sector would be that which begins where the urban zone of influence ends. One can trace the broad lines of this urban zone around any big city. But, as I have put it elsewhere,⁽⁹⁵⁾ its radii are by no means equidistant from the centre, for its periphery is seldom circular. More usually, it throws out tentacles, along roads, canals, rivers, which provide the arteries for the city's activities. It frequently embraces a large number of satellite towns, and even small villages.

While it is probably broadly correct that urban and rural can be distinguished in this way, I now feel that for a greater degree of reflection, it would appear that there are two varieties of urbanism and ruralism respectively. On the one hand there is urbanism in the sense of city-type culture and urban in the sense of the more rurally orientated culture that is to be found in city fringes. On the other hand there is ruralism both in the culture of the countryside and in that of the more urban orientated culture of country towns. The upshot of all this is that rural culture is to be found not only in the purely rural framework of scattered farmsteads and traditional small villages but also in the semi-rural milieux of city fringes (at least at the outer edge), industrialized country towns and satellite villages, with their new pattern of commutation to work and leisure activity. (96)

Thus an urban-industrial impulse in Portugal can be effected in two ways. We can allow and foster the development of cities and a city-type culture to a relative neglect of the country towns, or we can also seek to do everything possible to develop a Portuguese urbanism in the context of these towns, in such a way that the country as a whole will be possessed of both a city-type and a rural-type culture.

The later choice, I submit, is the only sensible one. It is certainly the only real form of regional development. It clearly does not make the mistake of identifying this with the development of regional centres only. But neither does it fall into the error of thinking that real development can take place without a framework of urban-industrial complexion. I believe, however, that its most significant advantage is that it is capable of providing an urban environment of a kind which not only permits but ensures the survival of rural culture in the best and most modern sense of the term. In this connection it should be noted that recent surveys in France have shown that the most valuable elements in French rural culture are today being conserved and even strengthened, not in the run-down and almost deserted countryside, but in the country towns, the strong secondary centres of regions, of the kind that we defend. (97)

For all these reasons, it seems to me that there should be no question of defending rural culture only or city culture only but rather of striving for the promotion of both together. It is ^{not} a question of either or but of both

a new Portugal of both primary and secondary urban centres, which will ensure the presence of what is best in urban

and rural culture and guarantee a cultural balance to the nation as a whole. The upshot of all this is that there are social values as against purely economic values. It is important for a country that its regional planning respects them.

Important ideas along the same lines have come from the Third European Symposium for the International Conference of Social Work, which took place at Noordwijkerhout, Holland, in July, 1965, where the subject of "The Social Consequences of Urban Growth in Europe" was discussed. Commission III of the Symposium had the following to say about the matter: "This must surely be the first occasion on which a meeting on urbanization has been concerned with the fate of the rural areas which the workers are leaving in favour of the towns. In fact it is not possible to disregard these areas that are being left. Action required of the public authorities for increasing the well-being of those who go to live in the big towns must be extended to include those who continue to live in the country. A harmonious balance between town and country must be looked for and town growth must not take place to the exclusion of rural development. Both are complementary in any comprehensive picture of the development of the territory from the point of view of promoting its general well-being".(98)

It is possible to draw only one conclusion from this most recent French and Dutch thinking concerning regional development. It is that regional centres, in the sense of primary poles of urban growth must be promoted in company with development in a region as a whole. Otherwise they are little more than cancerous growths. In the light of these considerations it seems to me necessary to reflect on the recent dangerous tendency for giving almost exclusive priority to the giant project of Sines development pole. (99)

In other words, and according to the "Ordenamento do Território" report, there is a need to accept the idea that the development of primary regional centres alone does not make for satisfactory regional development.

It has become evident, in fact, that the experiment of action programmes could not be limited to an attempt to deconcentrate methods of developing administrative investment programmes. Its ambition should be to build up a whole framework, lacking up to now, within which prospects of development and the needs of the various regions can be confronted. Moreover a form of national expansion which would involve regional imbalances would be dangerous and, socially, neither acceptable nor accep

ted. It is therefore necessary to evolve a compromise between maximum national growth, which conditions the health and vigour of the economy, and the correction of regional imbalances; excessive unbalance would be prejudicial to the country in general. In other words, a criterion of optimum value must be defined which would bring about an increase in the growth of the economy and a reduction in regional disparities within a certain time limit... A choice of particular importance concerns the balance between town and country. (100)

5.2.3. THE CASE FOR RURAL CENTRES

The idea of promoting rural development by way of the fostering of secondary and tertiary growth centres, is a rather new one on the Portuguese planning. It would seem to have been only advanced in the "Ordenamento Rural" report (1969) to which I have earlier referred. However, and unfortunately it seems to me that, at the present, it was relegated to a second plan of urgency.

Very briefly the idea was that one of the most important objectives in any program of rural revival should be the building up of a number of strategic towns throughout the countryside. Certain sociological surveys which had been conducted in other countries had produced compelling evidence that such an approach is necessary if the drift away from the rural areas is to be stemmed. For in no other way can sufficient rural off-farm employment, combined with a satisfactory degree of social provision, be made available to rural dwellers.

Although, at the beginning, the idea was suspected by some, who feared that it meant the abandonment of the small villages in favour of the towns, as conceived it was designed on the contrary for the purpose of providing a realistic answer to the question: How can the population of Portuguese countryside be saved from further and disastrous decline? Its basic conviction was that it would only be waste of time for each little hamlet or village to endeavour to subsist in the future through its own more or less exclusive efforts, amenities, and sharply circumscribed local potentialities. It would be necessary for groups of such settlements to "club together", as it were, in wider units for purposes of

employment and social provision, by linking themselves in satellite capacity around selected strong centres, that is, rural towns,

There was therefore no question of the small villages being abandoned. Indeed the idea of linking them to certain adequately equipped towns for purposes of employment and social provision was aimed at making the rural zone around each of these towns - which zone would include its related villages - a generally better and more acceptable place to live in than it is at present. Commuting to and from home (in the small village or open country) for work, shopping, amusement, etc., should be eminently possible given today's means of transportation.

I still believe this thesis to be valid. Indeed, paradoxical though it may seem, it promises to be the only solution whereby the population of rural Portugal can be maintained. There certainly need be no fear that the proposals, if implemented, would transform the generality of Portuguese countrymen into urban dwellers in the strict sense of that word or saddle the nation with the attendant problems which a highly urban civilization inevitably brings with it. That it would introduce new problems of various kinds cannot be doubted, but they would be problems attendant on the emergence of a new rural way of life. While it is true that in many parts of the contemporary Europe, it is not always easy to decide between what are primarily rural and primarily urban areas, it is equally true that the kind of higher rural centres which our proposal envisages for Portugal would be of a size and character which would not be likely to engender an urban ^{culture} in the sense of a city culture with its attendant psychological traits and modes of behaviour.

If, due to the existence of a not too distant ^{town} strategic/affording opportunity for industrial employment and endowed with good social amenities, the surrounding rural area is made a more acceptable place to live in, its small villages with their traders and craftsmen, such as are left, cannot fail to benefit from the purchasing power of a rural population which, as may be hoped not without reason, would continue to live in these ^{villages} and in the open country. Needless to say, too, there is nothing at all in the suggestions that could rightly be interpreted as playing down or placing unwarranted obstacles in the way of the present laudable efforts to improve the standard of living of the agricultural population. That these efforts must continue and be supported should go without saying. But "agricultural" and "rural" are not quite synonymous. If

we are to be guided by the findings of scientific sociological research, and it would be ^afolly to say that we should not be, it seems clear that we have no alternative to promoting what have been referring to as higher centres of rural industry and secial provision.

In Portugal, it is well known that rural depopulation in the country as a whole has been very great. I doubt, however, if it is even yet fully realized how absolutely staggering it has been in the smaller villages and some rural areas. And it certainly does not seem to be realised that this trend pretty certain continue until will these villages practically disappear, unless some drastic change is brought about and brought about quickly. I first penned these views in 1968; ⁽¹⁰¹⁾ I repeat them now with an even greater sense of urgency. All the recent reports of the Regional Planning Committees indicated a continuing contraction on the population of the smaller villages, whereas the larger ones are managing better to survive. The purely rural districts not increased at all. It is proved that the more re mote rural areas have actually undergone and continue to undergo a decline in population. To realise this one must make local surveys; general rural statistics for the country as a whole are deceptive. If we are to get a real measure of the effects of the rural exodus, we must take the discussion down to a regional and in the end to the parish level.

How serious the rural exodus has been and what its effects are upon the whole structure of village society can only be answered if we begin with the typical unit in the countryside, the parish whose population is under 500.

In other words, the general picture is as follows. The re is a continuous drift of population away from the open country side and the very small villages, especially in the more remote parts, in favour of a drift towards the city and surrounding areas, and towards those places which provide possibilities of new employment. The district towns do not provide such possibilities, but there are clear indications that the rural depopulation might be substantially stemmed if possibilities of the kind were made available in them.

The causes for this situation are various

For one thing there has been a decline in the number of farm labourers, due to mechanisation. But the most impor

tant cause seems to be a preference for life in the larger villages, due to the attraction of the better amenities and services which they have to offer. The various causes influence each other, leading to a loss of functions of the smaller centres and an increase in functions of the larger ones. Rural industries are moving out of the smaller villages, schools are being closed, etc: Meanwhile various new developments are taking place in the larger villages.

Dutch technicians and sociologists have tackled the problem as to what can be done to arrest the rural depopulation in their country. As their problem, in a certain sense, is very much like ours, I have thought it useful to consider what they have to offer by way of its solution.⁽¹⁰²⁾

In my mind, two solutions immediately suggest themselves; on the one hand, increased agricultural prosperity and, on the other, better village services. I dismiss the first at once as insufficient. The effect of the introduction of machinery and of increasing labour costs is to keep down the numbers of farm workers and of farm families and hence also of what is called the secondary rural population, made up of village people who provide services to the agriculturalists. Hence increased agricultural prosperity is not a sufficient remedy.⁽¹⁰³⁾

Better village services can be judged in the same way. One finds that where efforts have been made to provide amenities in the villages, they have not succeeded in altering the trend away from such places. According to Dutch experts, there must be an effort on bettering the more viable places, the influence of which would then vivify the surrounding countryside. The revitalisation of the rural areas must be undertaken on a regional rather than on an individual village basis. A process of concentration of population is required in order that the necessary level of services may be provided and an adequate range of social activities developed. To argue that traditional countryside can be restored is an illusion, but equally wrong is the belief that nothing can or should be done to arrest the slow attrition of large areas of the countryside.

Thus, the Dutch survey by Tonckens and Abma comes to the following conclusion: "The rural population is highly influenced by urban standards of living and a high level of rural welfare can only be attained if a certain minimum of services is at their disposal. The changes in the ways of life affect the viability of rural villages and will eventually lead to the disappearance of the smaller ones. However, the concentration of the population in fewer but larger villages should not be regretted. Instead of trying to stop it, authorities should try to promote the concentration of population by favouring the larger villages in the building of houses and roads and by all possible means. Though until now the villages of 500 to 1000 inhabitants, taken together, have not shown a decline in the number of inhabitants, it is doubtful whether they will be viable in the future. It seems safer to consider 1000 inhabitants as the minimum size for the village of the future. (104)

Have we in Portugal anything to learn from all this as regards ways and means of stemming our rural depopulation? In the first place, what means are we trying to adopt. Some organisations seem to rely mainly on increased prosperity in agriculture. This is understandable in view of sectional interests and it is also admitted that such prosperity is vital to the general economy. But as the Dutch experts have shown, such prosperity alone will not solve the problem of stemming rural depopulation. In the first place, what means are we trying to adopt? Some organizations seem to rely mainly on increased prosperity in agriculture. This is understandable in view of sectional interests and it is also admitted that such progress is vital to the general economy. But according to the studies of the Dutch experts, such progress alone will not solve the problem of stemming rural depopulation. Of course, increased progress would do a lot to stop the drift from the land. But it is hard to see how this could be effected without changing their pattern of farming to one of market gardening. This in turn presents at present great difficulties - except in limited areas - in the absence of a sufficiently large home market based particularly on populous provincial and districtal centres.

In conjunction with a programme for the economic betterment of agricultural and rural life in general, a number of organisations and development associations are also striving for the provision of better facilities, industrial, recreational and cultural, in the rural areas. One gets the impression that the aim is to provide these, in so far as possible, in every little village throughout the country. Undoubtedly there is room and need for

them in many places and one cannot but admire the zeal and industry of the people who spend their energies in trying to secure them. It is important, however, to examine this general policy with a view to seeing to what extent it is realistic.

Take first the provision of ^{the} enhanced recreational facilities. To what extent do the country people need these? To what extent are they likely to be successful in helping to dam the flow of population away from the countryside? Concerning with this, the Dutch Central Bureau of Statistics carried out an investigation of the needs of rural dwellers in this respect. The results have been published in a work by Professor Hofstee, Professor of Rural Sociology in the University of Wageningen.⁽¹⁰⁵⁾ They show that Dutch farmers and farm labourers in 1953 devoted about ^{21 per cent} of their leisure time simply to relaxation - sitting around, talking, drinking, smoking. They need far less artificial recreation than the townspeople who, by reason of the greater nervous tension involved in their work seem to need more amusement of the kind provided by the cinema and the dance-hall. In the same way, Dutch, farm labourers, though well paid, do not take annual holidays away from home as do the town workers. In general, it would seem that formal recreation is not so important to the Dutch rural dweller.

On the other hand, another Dutch survey has shown that rural workers are no longer satisfied with life in the rural districts. Their main need seems to be for a social and cultural life, other than recreational, which is not sufficiently provided for in villages of less than one thousand inhabitants. Indeed the Dutch have come to the conclusion that only in villages of ^{certain} minimum size can adequate amenities be provided: "If the village is to remain a social unit, where the population may largely satisfy its social and cultural wants, and if it is not to be reduced to a place where one is forced by circumstances to live, and from which one tries to escape as often and as fast as possible, it will have to offer its inhabitants much more than in the past ... Only the village with a minimum number of inhabitants of some 1,000 to 1,500 will in future offer a possibility of meeting the local demands and requirements. It is therefore desirable that the government promote this concentration as far as possible, and direct it into the right channels, among other things by adequate physical planning".⁽¹⁰⁶⁾

If this is so in Holland, we may well inquire whether it is sound policy here in Portugal to try to provide elaborate recreational and social and cultural facilities - to say nothing of industrial plant - in many smaller villages.

As far as recreation is concerned there is some evidence to show that it plays a more important part in the life of the countryman here than it does in Holland. Thus, in Portugal one finds very often young and old travelling long distances to entertain^{ment} and particularly one must refer the attraction of the cinema for country people. But in Portugal, as in Holland, it would seem that the real need in the country areas is for^{social} social and cultural services. For this reason, it would appear that some of our efforts to provide services in very small places are misdirected. I have noted that, according to the Dutch surveys, a minimum population of one thousand is necessary in a village centre before an adequate social life can be made possible. How many Portuguese villages have such a population?

The hard fact, therefore, confronts us that our existing policies are insufficient and that, unless a new and bold approach is made to the matter, a great number of such centres are very probably destined to disappear altogether. In my opinion, the only way in which the population of the rural areas can be conserved is by the development of a number of well-equipped centres in each region. Each of these would contain a nucleus of population in its own area and enable a secondary rural centre equipped with adequate social and cultural facilities. Each of them would also provide industrial employment for many people living in the surrounding area within a certain radius. Each of them would, in other words, be the social and economic centre of a definite rural area with a sufficient population to make the areas as a whole viable and thus stem the rural depopulation. Indeed the "Ordenamento Rural" report recommended the development of such centres, as a counter to the present unbalance in favour of the cities and as a means of defending the needs of the total population of the country by providing employment for the annual natural increase amongst people.⁽¹⁰⁷⁾ For my part, I see essentially a need for such centres as of preventing a future and most disastrous exodus from the countryside. Hence our proposal that over rural Portugal as a whole there should be scattered a number of fairly large centres in which people who continue to live in surrounding rural areas can find employment as well as opportunities for a satisfactory social and cultural life. Note well that we speak of people finding employment in these towns while continuing to live in the surrounding countryside and villages. This system, which is sometimes called, and not too happily, "urbanisation", is made possible to-day by the availability of modern methods of transport (bus, motor-cycle, etc). In this way commuting is made easy between the centre and its immediate hinterland.

As we have stressed there is already a significant percentage of peasant-workers in Portugal, namely in the catchment area of Lisbon and Porto. It can be found that mostly of them travel distances of twelve kilometres and over to work and back each day. They consist principally of the young and the skilled, who are attracted to the larger centres because of better wages there for the skilled, constant employment, more modernized conditions of work, and also because of personal factors, such as less supervision in large plants or a feeling of superiority deriving from being employed in big enterprises. But the important thing is that they continue to live in the rural villages. In my mind the reasons for this can be multiple. They include attachment to one's place of origin, lower rent for houses, the fact that some members of a man's family may have jobs locally (for example, the wife), preference for a house in the country, the fact that parents may still be living in the country, actual ownership of a house in a country village, a generally more economical way of life in the country and, lastly, reasons of health.

It would seem that such pattern is necessary in Portugal if the countryside is to be saved from depopulation. At present the main need is for a new Rural Ordering Policy both on the part of the planning authorities and the voluntary associations. Surely it is not too much to expect the former to embark on a sincere and determined effort to secure some decentralization of industry by encouraging projects in specified regional centres. After all, is this not the policy of the Government as I have outlined it? Rural life has undergone many changes in the course of history. The mediaeval village was different from primitive village; the village of to-day is different from the mediaeval. So, too, the rural village of the future must be different from the village of today. "Any attempt to preserve our nostalgic conception of the "village" is not likely to succeed", says Cecil Stewart in his book "The Village Surveyed".⁽¹⁰⁸⁾ And he continues "The village is always changing and will continue to change as long as there is life in it at all".

Since the foregoing ideas were first vented in "Ordenamento do Território" report, no sufficient empirical evidence has come to light that would compel the retraction or substantial change of the basic principles contained therein. On the contrary, what sociological material on the question has since come to hand appears to confirm the broad lines of the theses. Thus, additional to the Portuguese studies on rural ordering provided by the Central

Planning Agency, a wealth of evidence has come to hand which shows how widespread is the acceptance of the "centres theory" by European and American sociologists. We must be content here with merely referring to some of these which the reader can consult for himself.⁽¹⁰⁹⁾ It must be accepted, therefore, in the absence of sufficient reason to the contrary, that this "centres idea" is by no means without foundation. At the very least it is worthy of a trial. Apart altogether from the question of the provision of adequate social amenities for the general rural population, it would seem that the introduction of industry into the regional towns is the only way in which the agricultural workers that are being made progressively redundant by mechanization may find alternative employment and not become lost to the rural areas. Undoubtedly, if, through a system of market gardening and the like, some way were found of continuing - and increasing - the numbers engaged on the land, so much the better.

J.W. Lijfering at Wageningen has found in an investigation conducted by him in Holland and published in 1959, that, while the agricultural population of that country has fallen very heavily during this century, and especially from 1947 to 1956, relatively the smallest decline took place in the province of Drenthe, where there were possibilities of land reclamation, and in North and South Holland, where market gardening allowed intensive use of land with a consequent extension of the possibilities for employment.⁽¹¹⁰⁾ There is no reason why the development of a system of widespread market gardening in Portugal - given the actual markets - should not have a similar effect, and nothing that is proposed here should be understood as being opposed to such developments.

But as has been said, there still remains the need to provide suitable employment opportunities for the non-agricultural population as well as adequate amenities for the rural population as a whole, which brings us back again to the need for developing certain regional towns as economic and social centres of their respective districts. Santos Varela⁽¹¹¹⁾ has found for Portugal that the net emigration for the total population is highest in those areas where the opportunities for non-agricultural employment are small, so that change of occupation is only possible through migration.

What remains to be asked is whether, if these rural centres were further developed, the people finding employment in them would be content to continue living in the surrounding countryside.

This is matter which deserves careful study as it is surprising how little attention has been devoted to discovering the forces at work in moving people or making them immobile, ⁽¹¹²⁾ It is not just the question of the mobility of labour in the sense of to what extent people are prepared to change their residence in search of jobs. What is vital for us is to know whether Portuguese people are prepared to commute to work so that, while continuing to live in the countryside, they will travel to and from their dailywork to rural centres.

During the past few years the rural centrality theory is rapidly coming to be generally accepted in European practice and thinking on regional planning. One thinks, for example, of the French system of regrouping communes around central villages; ⁽¹¹³⁾ of the Swedish groupings of villages for the purpose of industrial development, which groupings are the smallest units with which the Government will deal when deciding about the location of industry; and of the Dutch system of "central villages" or head villages in the more rural areas in the northern parts of the Netherlands. ⁽¹¹⁴⁾

Perhaps one of the most interesting approach has come from the National Conference on Regional Planning held in Dublin, 1965. On the general question its Commission III had the following to say: "It might be thought that the revivification of rural settlements would be solved by grouping the small units round a central nucleus - a small town or large village in course of development. Within the limits of such a plan it is important that the citizens themselves should be encouraged to participate and that groups of local representatives should be able to express their ideas on the economic and social development of their region. If the elaboration of a development plan is carried out on a higher regional or national level, it is indeed important that it should have regard to the basic level and take into account the opinions concerned on that level. ⁽¹¹⁵⁾

As regards the matter of general social provision it declared: "The measures to be taken in the rural areas should tend to secure a standard of living equal to that of the towns. In this connection the Commission was given an outline of a plan to develop centres comprising a College for General Education; an Agricultural College and School of Home Economics; Sports grounds and bathing pools and a Hall for multiple uses. These facilities may be used by both the town and country dwellers and contribute towards the improvement of relations between the two... As a certain basic

population is needed for the socio-cultural development of the rural areas, it is important to group services together for a whole number of parishes, covering a whole area and serving a minimum of 5,000 inhabitants and a maximum of 20,000, and to establish these services in the central village".⁽¹¹⁶⁾

As far as Portugal is concerned, all this is capable of but one application - the development of at least some chosen regional towns as (secondary) centres of surrounding rural areas. These centres, together with the primary poles, would constitute a hierarchy of regional centres for the country.

5.2.4. THE CASE FOR RURAL ORDERING POLICY

Thus, under the policy of creating growth centres we may also include other measures which, although less spectacular, are of great importance. These measures consist in strengthening a number of small, well-located centres with a view to improving the economic and social conditions of rural areas. These centres should provide the surrounding area with a number of services, particularly administrative services and sometimes also industrial activities which may be connected, for example, with the processing of local produce, as well as restaurant services to meet local needs. Any new investment in the area should preferably be in these centres, which may be referred to by such names as rural centres or central villages, local centres, markets, service centres, etc.

It may also happen that these centres are selected not only as preferred points for the regrouping and expansion of services but also for the regrouping of the agricultural population. Efforts have been made abroad on those lines, as witness the term "agricultural city", and there have been attempts to introduce industrial activities in the agricultural centres. For this the term "agrindus"⁽¹¹⁷⁾ has been used.

In Portugal, as everywhere, the face of the countryside is changing. The number of people engaged in agriculture is decreasing, while the size of farms is increasing. In general, the artisan population of villages is decreasing and one finds a concentration of commerce and services in the towns; this change has of course been made possible by better communications. In Portugal

where the numbers engaged in agriculture is still very high, rural depopulation is nevertheless very considerable and the small town's low power of attraction normally makes the problem all the more difficult to solve.

It is in this context that the importance of developing small centres capable of exerting an influence on the surrounding area and of acting as centres for the provision of employment and services clearly emerges. Such a policy would help to slow down or even halt rural depopulation, which in many cases is extremely rapid and has perhaps already gone beyond the optimal point.

The first phase is normally the selection of small centres of the areas which they serve. This, of course, may require much research and discussion; in fact, every selection is necessarily arbitrary, since the existing pattern is not so much a network of centres of equal importance as a hierarchy of centres which is never completely homogeneous and includes both the largest and the smallest centres. Moreover, even if the centres already exist, the boundaries of the area which they serve will necessarily be unclear; the definition of rigid boundaries may be no more than a harmless intellectual exercise, but it can turn out to be dangerous. It may also be worth considering whether the selection should always be based on the assumption that the hierarchy is perfect and whether it should not tend towards a system of complementary centres, each having a different function, which is often the case in practice.

The second stage in applying such a policy is to decide what infrastructures and services the various centres selected should have. It may be very useful to have suitable standards in which case it is necessary first to decide what standards to adopt at the national level for the different services (schools, hospitals, etc.). These standards are then applied to a given situation taking into account population density, ease of communications and actual possibilities of grouping services.

Yet another problem may arise: that of finding the administrative staff to provide the back-up for certain of these services. This need is commonly felt when the communes are too small to shoulder part of the investment or operations planned and when there is not a sufficiently strong cooperative movement nor enough local initiative. The administrative reorganization may bring with it the desire to favour a particular form of redistribution of the

population (ore dispersal according to a new pattern). Furthermore, in particular¹⁸ Portugal where the administration is highly centralized, the various services (schools, hospitals, agricultural industries, post office, banks) tend to be operated on a sectoral or vertical basis rather than a regional basis. It is therefore necessary to take action in the sphere of co-operation and co-ordination in order to persuade, or if necessary, to compel these services to conform to the recommended model. Generally, the various services, occupations and sectors of activity always have a certain measure of autonomy and, if the recommended model is not rationally designed, or if the appropriate measures are not favourable for this model, it will not be used.

Thus, as we have stressed, in a number of other countries action is being taken to facilitate the transformation taking place in rural areas by appropriate selection and study of the equipment problems of small sectors. Efforts are being made in this direction in France where, as in Portugal, the dispersion and small size of villages has always posed problems. In Ireland, a country presenting also a problem common with Portugal - that of a tremendous emigration, a policy of developing primary and secondary centres has recently been advocated and some action has already been taken to put it into effect. In a statement published in September 1965, the Government expressly announced that while it accepted that development should be concentrated on a small number of primary centres, in order to obtain the optimal economic advantage from the planning process, it also wished to make clear that there were social considerations which made it inadvisable to confine development to these centres, and that development should be dispersed throughout the country by the promotion of industrial activity in selected secondary centres, in other words in the so-called provincial towns.⁽¹⁸⁾

Also, in Portugal, where strengthening of the industrial poles will in most cases mean a continuation of the trend towards concentration in the existing large centres, the selection of small centres with a view to forming a network of physical and social infrastructures and of distribution points for services and other elements of the development programmes in the primary sector will advantageously be advocated.

5.2.5. RURAL-URBAN NETWORK AND THE PORTUGUESE "ORDENAMENTO DO TERRITÓRIO" POLICY

Consequently, under the policy of creating growth centres we may distinguish three types of policy, which correspond to the promotion of what we shall refer to as "development poles" at the higher level, "growth centres" at the intermediate level and "service centres" (or rural centres) at the lower level. In a number of European countries, at least, it will be found that they are applied in a regular sequence.

In many cases, planners begin by selecting intermediate industrial development poles or growth centres, that is to say towns of medium size in which conditions are thought to be favourable to industrial development. That is the first phase. The need for making a selection of this kind quickly becomes apparent if one tries to apply an industrial promotion policy to the intermediate areas. As we have already observed in connection with the Portuguese experiment, it is not possible to "sprinkle" the countryside with industrial establishments; some form of concentration is essential. Therefore, this need is felt everywhere; "Clearly in the United Kingdom, as in many other European countries", writes L.H. Klaassen, for instance, "there has been a drive to develop everything everywhere".⁽¹⁹⁾ Not every town can qualify as a candidate for industrialization, however, and planners should resist the trend to favour centres indiscriminately over a large area.

Thus in Portugal, it soon becomes obvious that it is highly desirable to reduce the number of centres whose development is to be promoted. But there may be a significant difference between an appropriate distribution and the selection of a few well-located but dispersed centres. It may be useful to select centres which are conveniently grouped. This is where the theory of large growth poles comes in. It is claimed that intensive action in a promising area will have multiplier effects over a large area and on the economic structure as a whole.

Although the maximum acceptable size is debatable, most experts seem to agree that a plan "should contain measures to restrict the further growth of cities with populations in excess of

500.000 (Lisbon and Porto), and to develop a limited number of other urban centres. In this connection it is interesting to note that the promotion of these large poles in Portugal is basically proposed as a direct reaction against a tendency to concentrate activities and population in a favoured area or in only a small number of favoured areas.

When the experiment of Portuguese regional planning was initiated, reference was often made, in studying the development prospects of the various centres, to the requirements and potentialities of the surrounding areas. Such references remained rather vague, however, and the practical conclusions drawn from them were inclined to be woolly.

As the building and town and countryside planning effort - namely through the "Ordenamento do Território" policy - was intensified and more closely integrated with national and regional planning, a different aspect of the question was examined; it was based on a re-appraisal of the relationships between urbanization and socio-economic development. The primary function of a town is to act as a service centre for the households and undertakings within its sphere of influence. The polarization of service activities around the different levels of centre produces ~~or~~ ^{respondent} polarization among the population in the towns. This concentration of the population in turn fosters the emergence and development of industrial establishments and more sophisticated activities. Thus the urbanization process, based as it is on the need to provide services for a scattered rural population under optimum conditions, eventually transcends that need and derives from the population changes which it induces, the very terms of its own subsequent development.

Two kinds of study have been made in Portugal with a view to gaining knowledge of urban networks and finding out how to proceed in the best way with the equipment of the various centres. Firstly, a very detailed and value study was made in order to establish "urban attractions" and the consequent existing urban pattern. In this study ⁽²⁰⁾ entitled - Portuguese Urban Network: Hierarchy and Functioning - one can find the distribution of the catchment areas through all the territory (see map). On the basis of this map one can group the various centres in four levels, as follows:

TABLE 18

Levels	Characteristics
4	Centres owning a catchment area over the municipality but under the district
3	Capitals of district and equivalent centres
2	Centres polarizing one or more centres of level 3
1	Lisbon and Porto

TABLE 19

Level 1	Level 2	Level 3	Level 4
Lisboa	Coimbra (482)	Viseu (255) Guarda (194) Leiria (212) Covilhã (200) Castelo Branco (199) Santarém (239) Setúbal (295) Portalegre (186) Évora (272) Beja (212) Faro (270)	Tomar (156) Abrantes Coruche Caldas da Rainha (157) Torres Vedras Elvas (127) Estremoz (105) Moura (81) Portimão (149)
Porto	Braga (338)	Viana do Castelo (213) Guimarães (224) Vila Real (184) Bragança (164) Aveiro (245)	Chaves (151) Lamego (112) Mirandela Macedo de Cavaleiros

N.- The numbers in brackets represent the global value of the punctuation for each centre.

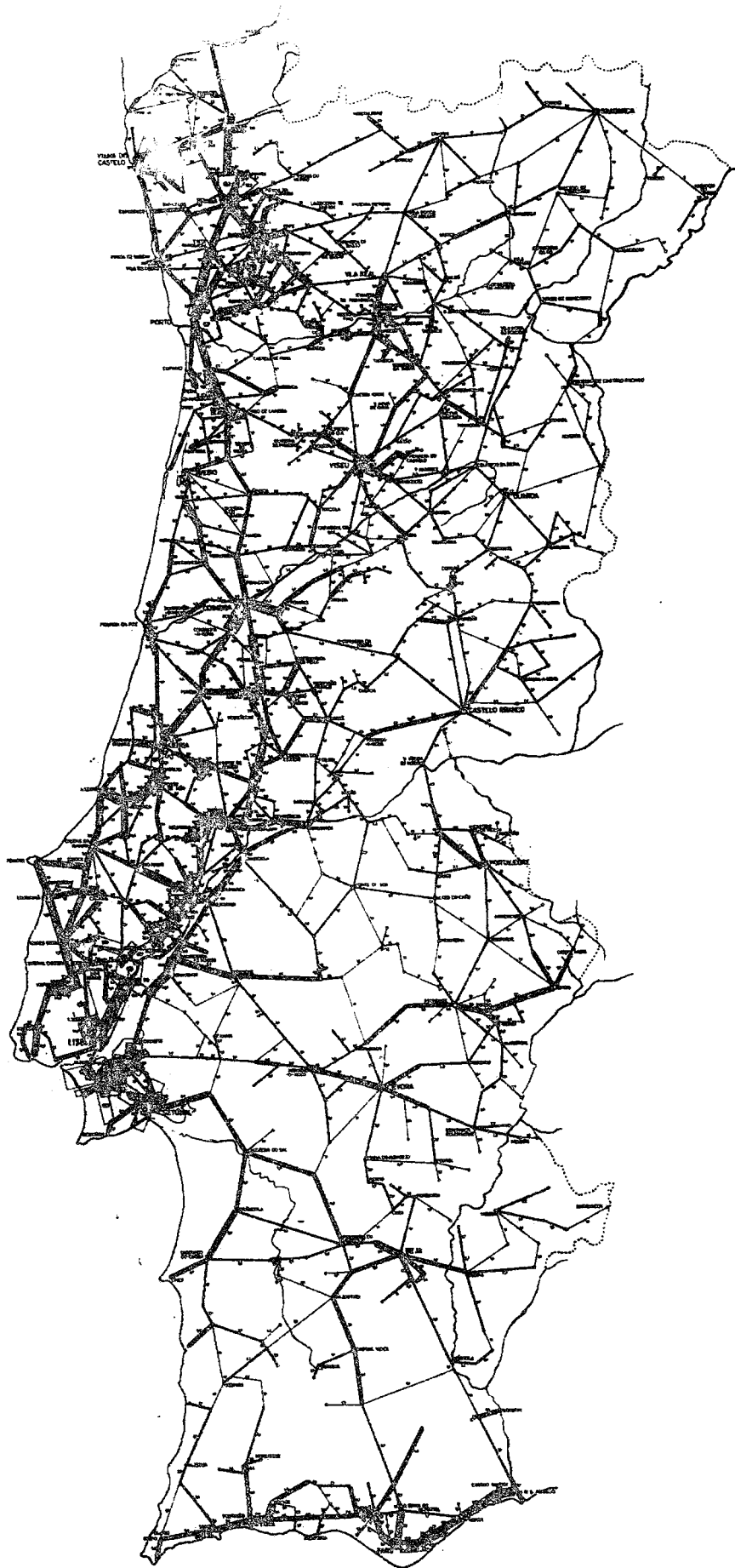
The analysis of this table confirms some aspects already referred of the Portuguese urban network; however, one must stress the following points:

- i) It is clearly shown that Lisbon and Porto (specially Lisbon) contain in their catchment areas all the territory.
- ii) The planning region of the Center is a very weak construction. Indeed one concludes that Coimbra is not strong enough, either to avoid the attraction of Aveiro by Porto, either the attraction of Covilhã and Castelo Branco by Lisbon. Thus, it seems that the Center Region must be considered more an objective than a reality.
- iii) Concerning the South Region it can be concluded ^{that} each one of the most important urban centres controls only a restrict area and that they are polarized by Lisbon. Thus, there is no a centre acting as a regional capital.
- iv) Concerning the North Region confirms that its boundary overpasses the Douro river and it's clear the weakness of the urban network of the interior sub-region.

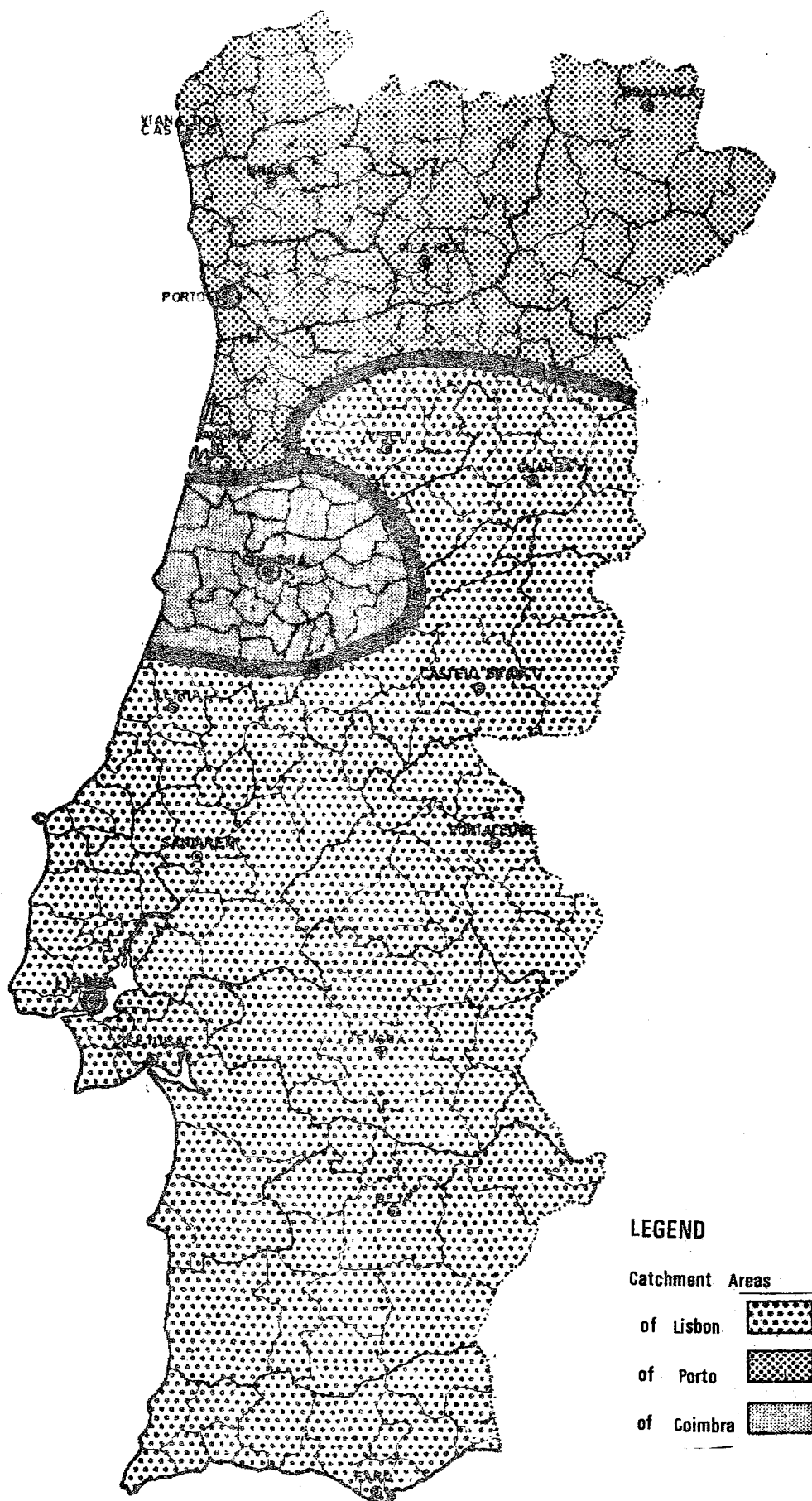
Secondly, a series of "urban framework" studies were carried out by the Central Planning Office in the context of the town planning section. Their purpose was to provide forecasts, preferably including several options, for the development of the various towns in the different regions, and to serve as a basis on which to decide urban equipment policy, as well as the future urban pattern.

In this connection, a distinction is sometimes drawn between "regions to be organized" (Lisbon and Porto) and "regions to be developed". It is assumed that the former already have a well-arranged system of centres and that endogenous growth factors al ready exist; this being so, the development problem is mainly one of ensuring a proper distribution of housing and social amenities and consequently of jobs, increasing the comfort of workers and consumers by minimizing the distances they have to travel, and ge nerally reducing the economic and human cost of developing the

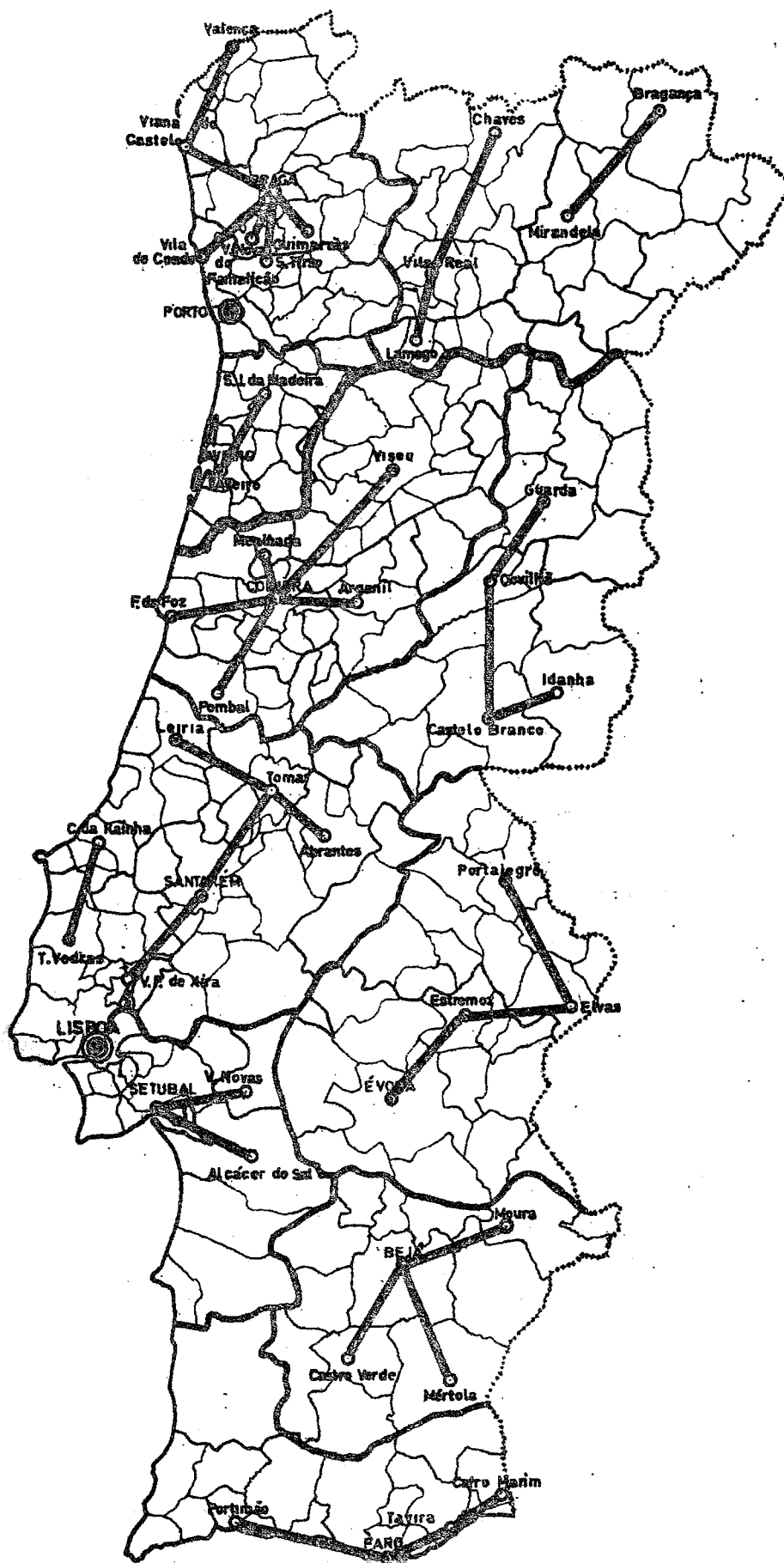
PORTUGUESE CENTRALITY PATTERN IN TERMS OF TRAFFIC FLOWS MAP 33



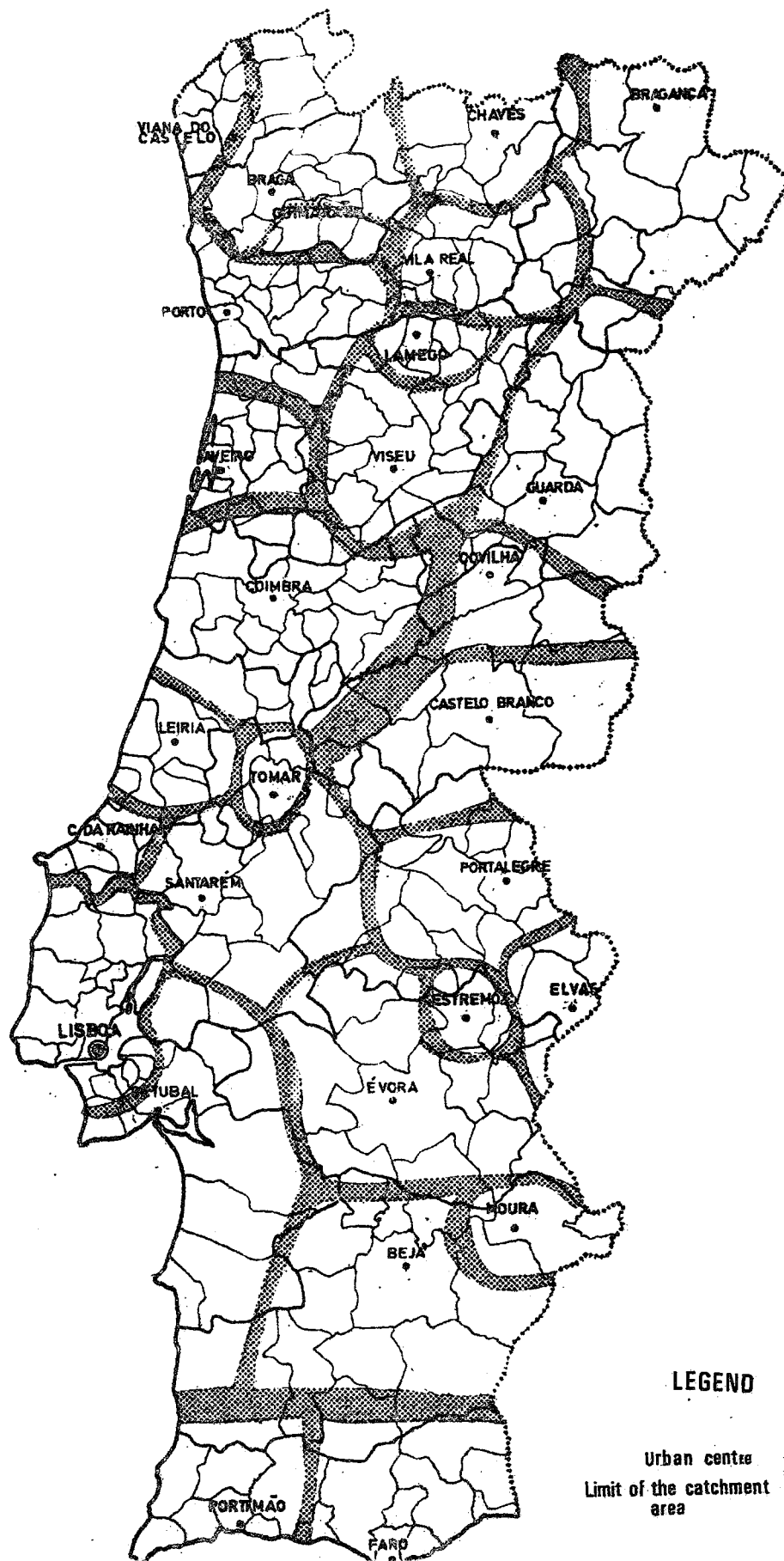
CATCHMENT AREAS OF LISBON , PORTO AND COIMBRA
(according to the predominant telephonic flows)



PORTUGUESE CENTRALITY IN TERMS OF TELEPHONIC FLOWS



PORTUGUESE URBAN NETWORK ORGANIZATION ACCORDING TO REILLY'S RULE



towns. In regions of the second category, on the other hand, the problem is not so much to remedy over-congestion as to promote, in keeping with the theory of growth poles, a favourable concentration of economic activities by encouraging the development of a few well-chosen points.

It should be noted that the population and employment projections contained in these studies tend to take into account not only the existing administrative units but also the predetermined areas of attraction of the various towns. Within each area of attraction a distinction was drawn between "rural areas" and "areas with industrial and urban populations"; this enables occupational and geographical migratory movements to be estimated more accurately, since migrations tend to start from rural areas and to converge on the urban area which exercises its attraction over them.

By these means the "Ordenamento do Território" report established for the urban-industrial areas the existence of (see map 37):

- i) Metropolitan areas: Lisbon and Porto
- ii) Regional centres:
 - Coimbra
 - Évora
- iii) Main sub-regional centres:
 - Braga-Guimarães
 - Aveiro
 - Leiria-Marinha Grande
 - Sines
 - Faro-Olhão
- iv) Other sub-regional centres:
 - Viana do Castelo
 - Vila Real
 - Viseu
 - Covilhã

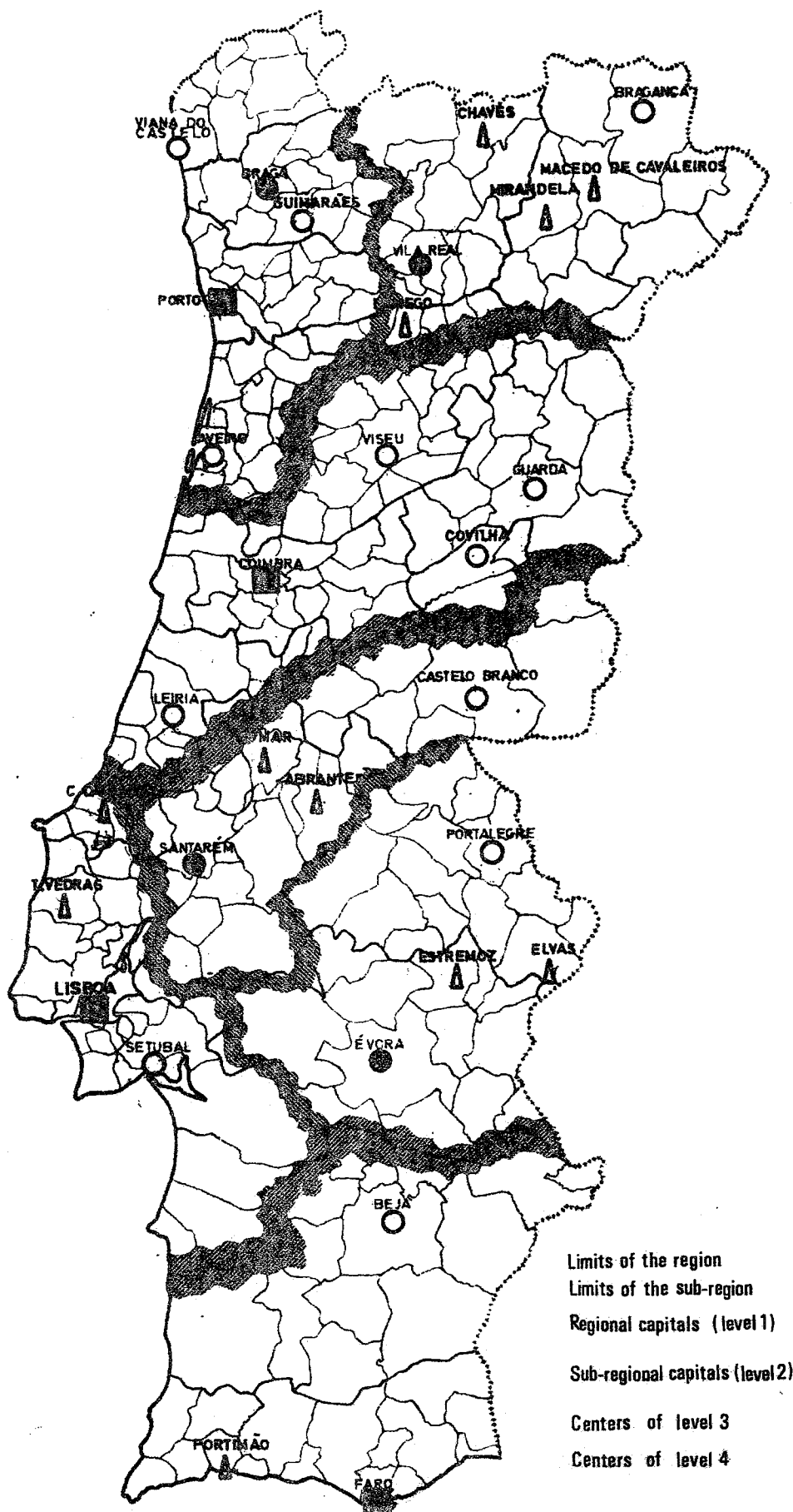
- Torres Novas-Tomar-Abrantes
- Santarém
- Beja

But the future Portuguese urban-rural network, according to the "Ordenamento do Território" report, must be considered consisting not only of large and medium-sized towns but also of small towns which serve and are in direct contact with the rural areas. These, too, are undergoing profound changes and need to be able to offer various services and amenities for raising the productivity and living standards of the inhabitants.

During the last few years, greater attention has been given to the phenomena of polarization around small centres and to the extent to which a reorganization of their structure might prove conducive to the modernization of the rural areas. Observations show a decline among the vast majority of Portugal's rural hamlets, about half of which contain less than 300 inhabitants. The smaller the average size of a hamlet, the more pronounced is its decline (a slight average growth being noted only in places with a population of 1.000 - 1.500 or more). The rural population of the most part of the districts is still declining (according to the Census 1970). The fact that the districts in which the reverse is the case are also the more urbanized ones, seems to suggest that the growth of the rural population to a large extent reflects the transition to urbanization of villages situated on the periphery of conurbations. In Portugal, where there are relatively few diffuse industrial areas, the increase in the non-agricultural rural population is still for the greater part small. In most cases, therefore, the effect of the fall in the farming population has been that many crafts and services are no longer remunerative and are tending to disappear.

The equipment now available in the country areas includes the road network-which is very extensive considering the relative sparsity of the population and is therefore one of the most under-used systems in the world (it has been noted that this peculiarity, which makes for easy communications in almost any direction, does not foster the trend towards highly accentuated polarization and that, with increased motorization, the tendency to travel to more distant service centres might be increasing rather than diminishing); electricity (is still not supplied); piped water (roughly is still not supplied); a system of schools, former

HYPOTHESIS OF URBAN NETWORK REORDERING



ly consisting of a one-class school for each village, which needs to be developed and concentrated; and sports and cultural facilities which generally are very difficient.

There is nothing new about the idea of limiting the general process of decline of the rural areas by encouraging the strengthening of "central villages" and concentrating in them some of the amenities at present available in individual villages, as well, perhaps, a some of their population. The term "central village" first made its appearance at the time of the last war, when it was recommended that between two and five villages should be merged into a single administrative unit, the idea being that trades and ~~services~~ would also tend to regroup themselves to meet the requirements of the whole unit.

Very few mergers took place on that basis, however. This may have been due to opposition of various kinds, though it was also found that the regrouping of a few neighbouring villages was seldom very realistic because, for the most part, the villages were each experiencing the same decline and had little to offer one another. Most of the services needed by rural populations are only available outside the villages. It has recently been considered impossible to establish only a very few services with little equipment to meet the needs of a small number of villages and to expect it to function efficiently; mention was made of only one multi-class primary school intended to replace several one-class schools, and of a small multi-purpose community hall. Most of the services and equipment now being expanded have to cater for a larger population, be it schools, hospitals, clinics, sports grounds, retail stores, silos, cooperatives or other types of establishment required for processing farm produce or providing products needed in agriculture, various kinds of professional services or even, in most cases, water supply systems. Most of these services will therefore be found in small towns, and only very rarely in villages.

If rural areas are to benefit from up-to-date services and amenities, efforts must presumably be made to devise new forms of organization. In this respect, a new chapter was opened in 1969 when, in the sequence of "Ordenamento do Território" policy, the Portuguese Central Planning Office elaborated a rural-welfare programme stating that it was not possible to go on developing each and every village, and that "central villages" would have to be selected with a view to concentrating there those types of secondary activities and services most likely to function satisfactorily and to prove reasonably remunerative.

In the "Ordenamento Rural" report, it was suggested that "subsidiary centres" should be selected at the two following levels (see maps):

- Elementary centres, exercising an inter-commune influence (population of 500 to 2,000);
- Main centres, exercising an influence over several municipalities (agglomerate population of about 4,000).

Each of these two levels should have a different type of equipment. "Multi-purpose inter-commune associations" should be set up in main centres where they do not already exist, pending the creation of the new public bodies, sometimes called "enlarged communes", provided for in the commune-regrouping plan which must be prepared urgently.

Apart from the studies correspondent to be "Ordenamento Rural" report, more systematic studies for the selection of rural centres are being made in some planning regions by the respective committees. For instance in a study prepared by the North Regional Planning Committee in collaboration with the Central Planning Office are distinguished three levels (outside the main towns surveyed in the Regional Urban Network mentioned in the Regional Programs for the IV Development Plan); these are:

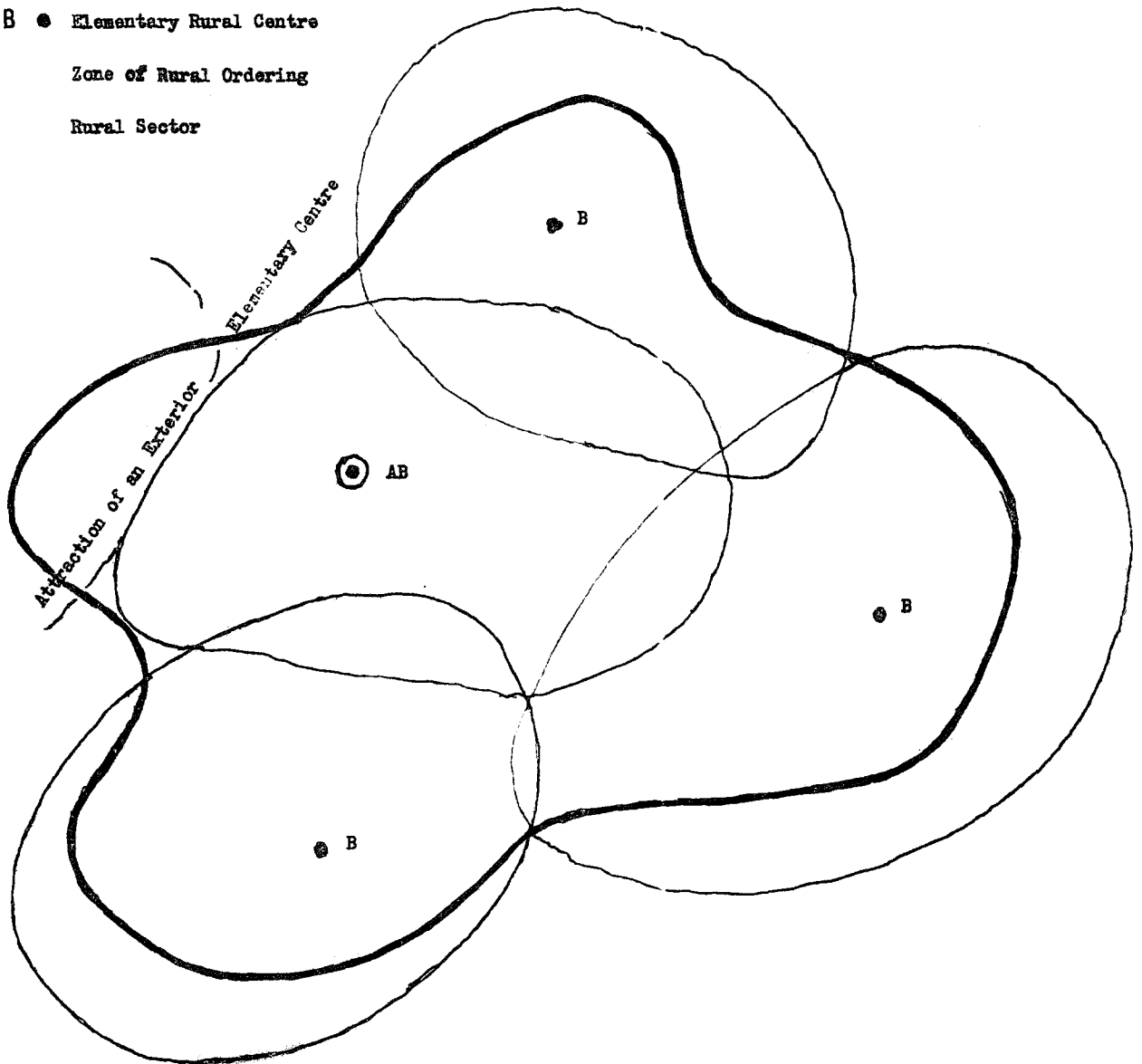
- i) Local centres;
- ii) Small market-towns;
- iii) Central Villages.

These categories are similar to those referred to above, though the population of the centres is slightly smaller than in the desired model, because of topographical reasons, the low level of industrialization and the small demand on the part of the population.

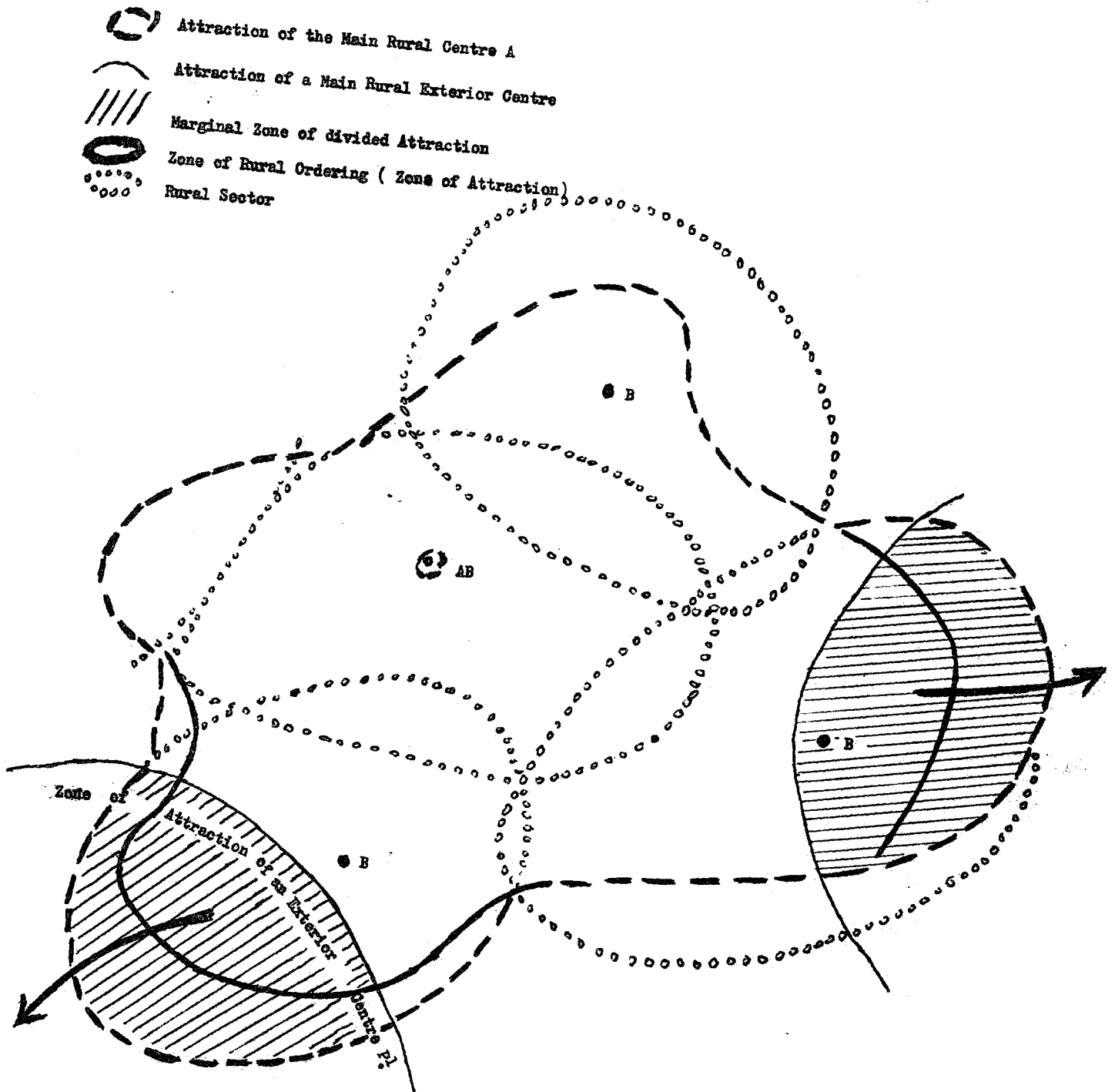
The "central village" has 500-800 inhabitants; it contains a school with which it is proposed to merge the schools of the neighbouring villages. The small market town, which represents the most important level and corresponds to the "main centre" mentioned above, may have a population of 1,000-2,000 and an area

SIMPLE REPRESENTATION OF THE TWO DISTINGUISHED LEVELS IN PORTUGUESE
RURAL ORDERING POLICY

- A ○ Main Rural Centre
B ● Elementary Rural Centre
Zone of Rural Ordering
Rural Sector



BASIS OF DELIMITATION OF RURAL SECTORS AND ZONES IN FUNCTION OF THE CATCHMENT AREAS



of attraction comprising 3,000-8,000 inhabitants. They possess, or should possess, a secondary school, a clinic, the headquarters of the farmers' associations and an agricultural loan office, etc. The local centre has a larger population, although its area of attraction is not necessarily so clearly defined as that of the small market-town. In this connection it may be noted that the declared aim of this and similar studies is not so much to divide up areas of attraction as to define a number of centres, since few a priori divisions can stand the test of overlapping spheres of competence, whereas nobody can question the factual existence of service centres.

Hitherto, studies of this kind have remained fairly confidential and sometimes seem to meet with only moderate appraisal on the part of the local authorities when brought to their attention. As is often demonstrated, the desire to protect centres that are actually in decline sometimes earns for those centres a classification which their general development scarcely warrants.

There is good reason to believe, however, that such studies could, given the right conditions, rapidly become more operational than they have been so far. A study is being carried out to discover what, in an average situation, should be the standards of equipment in the various centres. This study, under the supervision of the Central Planning Office, is being pursued with the collaboration of the Regional Planning Committees and aims to indicate in respect of a typical rural area (10,000 - 15,000 inhabitants), its main centre (4,000 inhabitants) and each of its elementary centres (1,000 inhabitants), the level of equipment expected in the following fields: education, sports, health, posts and tele-communications, administration of the law, banks and miscellaneous professions, trades and craft industries. It also tries to give pointers to the expected development of the various services (their concentration dispersal and over-all expansion) and to indicate how the level deemed desirable could in practice be attained. () It is not necessary for such standards to receive official approval in order to be effective; it is sufficient for the research undertaken to be already known and appreciated, at least in its general spirit, by those who are in any way responsible for the equipment policy of the various centres, and for there to be a measure of uniformity in the methods of applying that policy (in other words, that financial or other factors should ensure a certain measure of centralization).

5.3. THE CASE OF BACKWARD REGIONS

5.3.1. SOCIAL-STRUCTURAL PROBLEMS IN BACKWARD AGRICULTURAL REGIONS

Earlier it was argued on the basis of a theoretical model and empirical considerations that the main difficulties of backward regions are the result of inadequate social overhead capital. This does not mean that backward regions do not also need expanded economic overhead capital, or that social investment may not be needed in more prosperous regions, the question is one of emphasis. Although backward regions may be relatively deficient in both social and economic overhead, the most pronounced deficiencies generally relate to social overhead. Moreover, given the recent evidence on the contribution of social overhead, especially that for education, to economic growth it would follow that opportunity cost considerations would favour concentrating

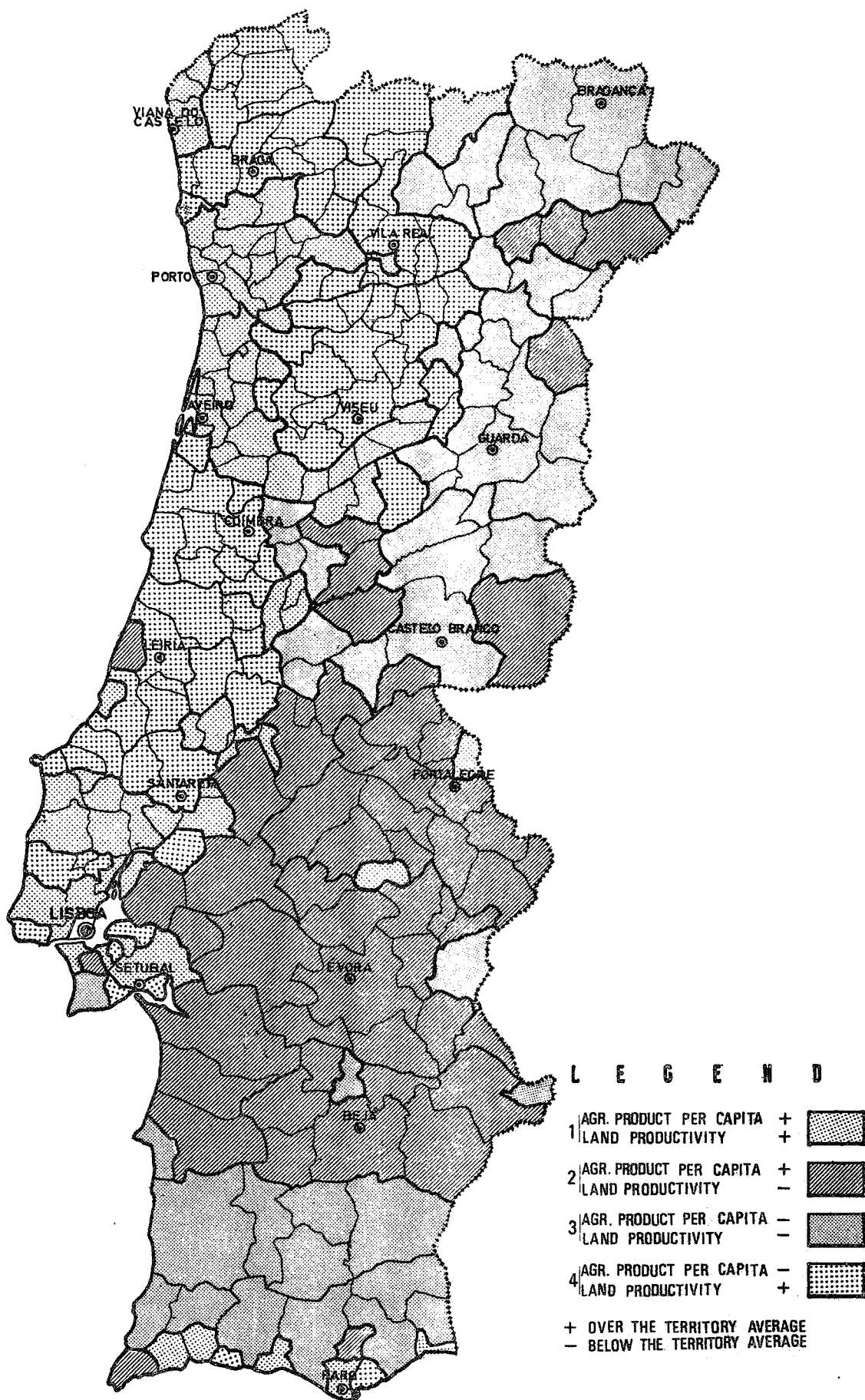
social investment in backward regions where needs are greatest and where the relevant facilities are the least well developed. Now we will examine the extent to which these propositions are applicable to problems of regional development in rural backward regions of Portugal.

(2.1)

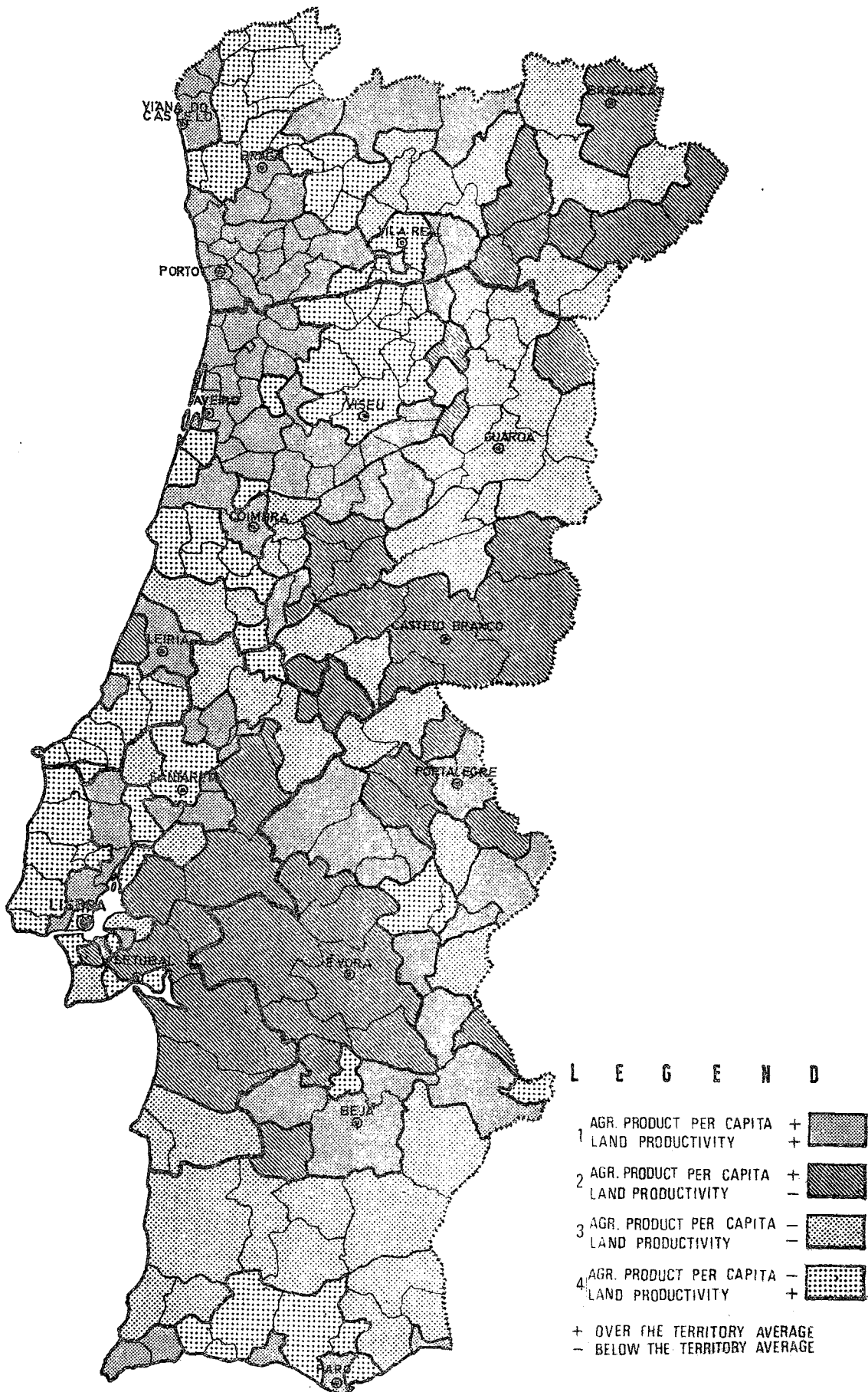
The evidence presented in Chapter II clearly shows that, with the exception of certain industrial areas characterized by a predominance of stagnating or declining sectors, the regions in greatest economic difficulty are those which are the most agricultural. Furthermore, the difficulties experienced by agricultural regions are qualitatively different, since for the most part the essential problem is one of stimulating the initial growth of a modern economy and society, rather than of converting an already industrial region from one type of activity to another.

Somebody else has pointed out that as the heir of generations which have had only very little money, but also as a person concerned with securing the subsistence of his family, "the Portuguese peasant has for a long time put only the excess of his production into commercial markets, and he still is often repelled by producing primarily to sell. He is at the same time a man of tradition, indeed, of routine. Any break with custom appears to him to be an adventure, vocational and technical training seem to many a useless luxury."⁽²¹⁾ Thus, the real problem is posed in terms of education of the rural masses, and the essential aspect of the rural problem is less in the technical domain than in the social domain. Similarly, the Regional Planning Committees have often noted the importance of agricultural education as well as existing deficiencies in its availability.

DELIMITATION OF BACKWARD AREAS (NATIONAL LEVEL)
(ACORDING TO THE AGRICULTURAL INDEX)



DELIMITATION OF THE BACKWARD AREAS (REGIONAL LEVEL) (ACCORDING TO THE AGRICULTURAL INDEX AND TAKING REGIONAL AVERAGES)



One must accept that, in general, natural factors have ceased to be the primary influence in the progress of Portuguese agriculture; rather it is the human factor which is decisive, as well as the farm structure. In the present situation, it is necessary to judge a farm not only by its size but also by its capacity to adapt, to react, to organize - in a word, by its dynamics.

It is obvious that policies as regard structures are of a longterm nature and cannot have an immediate effect at a national level. But that does not mean that structural policies should receive low priority. As structural policies are generally costly, of long-term effect, and imply profound economic and social changes, it is particularly important that they be defined very carefully and for a relatively long period. In this respect even the duration of a Five-year Plan may appear too short. While these policies must in the long run aim mainly at influencing the number and size of holdings, they must also attempt to make the best of the present situation by modernizing the internal organization of farms and by promoting co-operation in all its forms.

Structural policy comes up against a special difficulty, which is that improvement in structures depends to a very great extent on external factors, in particular the possibility for reducing the active agricultural population and for economic development of various regions of a country. Such restrictions are especially limiting in Portugal. Structural action must also be integrated with the other types of policy. Its aim indeed is not only to create more rational holdings capable of increasing their productivity and their incomes, but also to permit a better orientation of production. Policy for structures must therefore not be thought of exclusively in terms of land arrangement, but be linked with other policy measures (in matter of price and of production, infrastructure, public investment and credit, labour, regional development, etc.) in order to form a coherent whole Regional development policy.

Till now, in Portugal, the attempts for the establishment of a structural policy aim at modifying the land structure of the holdings by acting either on the global size of the latter or on their internal organization by regrouping isolated plots. However, in mostly cases, these measures come up against obstacles of a political or social nature, others are limited mainly by

financial problems. This is why increased attention is brought to bear on other forms of action which also permit the improvement of structures, but in a more rapid and less cumbersome manner. On the legal level, certain modifications in the regulation of tenure systems could contribute to enlarging the economic size of holdings by favouring renting of land, and by encouraging tenant farmers to develop their activity by reinforcing their position. Changes in inheritance law, for example, could prevent aggravation of fragmentation. Moreover, all the measures favouring the development of co-operatives or the creation of producer groups will contribute to improving considerably the economic structure of holdings without it being absolutely necessary to intervene at the level of land structure. Without being a universal cure, this action could contribute to making the structural situation more healthy and at the same time could have other favourable effects in matters of techniques of production, of productivity, of marketing, etc.

The object and principles of rural development ordering were defined in a rural ordering report dated 1969:⁽¹²²⁾

"Development of the country is not solely concerned with urban environment; its objectives should also include the organisation of the countryside in order to improve the living conditions of the inhabitants and the level of rural economy".

The objectives are, in particular:

- i) to increase farm productivity with a view to raising the standard of living of both farmers and their workers;
- ii) to develop or introduce activities in the countryside in order to ensure full employment on the spot;
- iii) to provide the same amenities for rural housing as are enjoyed in towns;
- iv) to develop social services and bring them within the reach of all.

The broad objective is to provide equality of opportunity in the town and ⁱⁿ the countryside for economic, social and cultural development. We may be sure that, if countryside people find secure and remunerative employment in their districts with facilities for comfortable living, professional training, and

culture, they will no longer be tempted to swell the influx of population which threatens the balance of the large cities. Plans for rural development are vitally needed to co-ordinate the various public and private activities directed to this end. Within the Planning Regions, broad general studies have been undertaken to include an analysis of geographical, economic and human aspects, a definition of the objectives, and the drafting of preliminary development schemes.

One suggested strategy⁽¹²³⁾ - and according to the "Ordenamento Rural" policy - is the application and concentration of efforts, with priority, in special and selected areas of integral agriculture development, already defined by the government in that report.⁽¹²⁴⁾ For this proposal the "Regional Programming Section" of the Portuguese Central Planning Office elaborated a model of research plan for the rural development strategy of those areas.⁽¹²⁵⁾

5.3.2. THE PROBLEM OF OUT-MIGRATION

To argue that improvement, in the quality of human resources through investment in social overhead should receive greater official attention, especially in relation to land reform programs (whose importance to most regions cannot be denied), implies however a basic assumption, namely, that it is desirable to increase agricultural productivity. Here is one of the numerous instances in economies where attempts at improving the lot of individual units may in fact have the opposite effect for the whole; obviously the "farm problem" is a result of too high over-all productivity (and inelastic demand); continuing improvements in productivity will only aggravate the difficulties of structural change in agriculture. Clearly, any long-run solution to these difficulties must face up to the issue of out-migration.

Indeed, one of the main difficulties for Portuguese regional policy with regard to backward agricultural regions is to combine the need for out-migration from those areas and the feasibility to channel this movement to intermediate regions (including agricultural development poles). The traditional tendency of these migration flows is either to increase the congestion of large agglomerations, especially Lisbon and Porto, or to develop emigration, with all the funest consequences described in chapter 1, leading to abandonment of the countryside.

Thus, the project of the IV Development Plan, while admitting that labour mobility is necessary in an expanding and changing economy, states, on the other hand, that "regional policy wish to combat the depressing effects which too great a number of departures would have on the economy of certain regions. Its concern is to maintain in these regions an active population sufficient in number and quality to permit exploitation of existing resources and to encourage modernization of structures and development of productivity."⁽²⁶⁾ But, how the maintenance of a population larger than that a region would obtain under natural conditions would encourage modernization or increase productivity is not discussed, nor is the possibility that out-migration might well increase the marginal product of labour in the regions concerned.

Also the "Ordenamento do Território" report defined the objective of regional planning to be the development of each region "in a fashion which permits its population to live as well as it would elsewhere through a better utilization of its resources"⁽²⁷⁾ It is difficult to read any real meaning into this statement since it implicitly derives any role to resource mobility; it is obvious that with a given population and given resources living standards will certainly continue to vary from region to region, no matter how well the resources of less privileged regions are utilized.

In the regional report of the North Planning Committee the principal aim of policy proposed for the development of Northeastern areas is "to progressively hamper emigration from the area to the level of a normal outflow of demographic surplus by creating within the region new employment possibilities and by raising the average standard of living."⁽²⁸⁾ This result can be obtained, it is argued, by more effective and more intensive utilization of land and other resources, and by a significant "injection" of industrial capital; the central government is called upon to contribute to the realization of these objectives by all the means at its disposition. The main difficulties with this approach are not hard to spot. Without going into the meaning of a "normal outflow" of population, it is difficult to see how any substantial improvement in employment opportunities or living standards could be expected from more intensive utilization of natural resources already subject to greatly diminished returns. Moreover, the issue of the most rational utilization of capital from a national viewpoint is not raised. Northeastern ^{Portugal} (Trás-os-Montes province) has not been in a position to offer the external economies available to private firms in intermediate regions, and as a consequence it has not succeeded in attracting much industry, even with the help of the decentralization incentives provided by the government.

Resistance to population movements from relatively less developed regions also is frequently found in the writings of professional economists. Jules Milhau, for example, maintains that the natural possibilities of regions characterized by out-migration often are underestimated. He argues that scientific and technical progress undoubtedly will create wealth in areas whose potential natural resource endowments have not yet been fully exploited. Moreover, he states that because of population growth it will eventually be necessary to put back into use agricultural land which at present is being abandoned. Therefore, if the maintenance of a minimum population appears as a cost to the nation... we believe that this cost should be viewed at a reasonable expenditure by a collectivity concerned about its permanent interests". (129) Milhau's arguments, of course, are highly questionable on economic grounds. They are given in the context of a discussion of rational land use, but rational decisions concerning location of economic activity cannot be based on discoveries which may or may not be made at some undetermined date in the future. Moreover, even if demographic forces should necessitate returning to cultivation land now being abandoned because of productivity increases in agriculture, this will come about through the operations of the same market mechanism that is now creating outmigration pressures. There is no economic reason for the social costs of maintaining an unnecessary agricultural population, or at least no reason which could not also be applied to other sectors of the economy. Of course, the broader sociological implication associated with out-migration should not be ignored. Alain Prate⁽¹³⁰⁾ has pointed out that as a result of migration numerous workers are passing their lives far from their regions of origin, sometimes separated from their families for long years and living in alien areas and climates. In strictly economic terms, the growth of agglomerations which are already too large imposes heavy costs on society... The objective to be attained is thus clear: as Marjolin has declared several times, it is industry which must, insofar as possible, be brought to the workers and not the workers to the industry. Full employment... should not only be sought at the national level, but also within the regional framework.

However our general agreement to the importance of sociological considerations, two major qualifications may be made with respect to this position. In the first place, if it is already difficult to imagine how full employment in any country may be attained without significant out-migration from backward regions, this aspect is especially restrictive in a poor country as Portugal. A second, related qualification concerns the types of regions involved in Prate's comments. He implicitly assumes that

there are only two kinds of regions those represented by congested agglomerations and those in a state of relative stagnation. This enables him to assume that the social costs of bringing industry to poorer regions would be less than the social costs involved in the migration of workers and the increase in congestion of large agglomerations. This might well be true if there were only two basic types of regions. However, it is feasible, or better, necessary, to distinguish congested (metropolitan), intermediate (including development poles, growth centres and agricultural development poles), and backward regions, as was pointed out in chapter x when was analysed the Portuguese model of regional development on the basis of the "Ordenamento do Território" policy. Then, the issue of the social costs of increasing urban congestion is not a necessary objection to out-migration from backward regions, since population movement may be channeled to intermediate regions (potential regions).

It is understandable that a resident of Bragança would prefer to work at a new factory in his own town rather than leave to seek employment in another region. However, this should not obscure the fact that if the factory in Bragança could produce more efficiently elsewhere, there would be a genuine, if less obvious, social cost from the viewpoint of the nation as a whole. But then, if government officials and even some economists fail to take account of foregone alternatives, it should not be surprising that this should also be the case for the average citizen. On the other hand, despite government intervention on behalf of industrial development in backward agricultural regions, industry continues to be attracted for the most part to regions already more developed. Thus, in fact, migration would seem to be the easiest alternative to realize.

It has been argued that investment in economic overhead capital should tend to be concentrated in intermediate regions where it can be combined with other factors potentially favorable to industrial location, and that backward regions should benefit from relatively high investment in social overhead capital. Economic investment alone cannot be expected to attract significant private investment from other areas and thus halt out-migration. The relationship between social overhead and out-migration, however, is more complicated.

One possibility is that social overhead, particularly in the form of education, will train a sufficient number of qualified local workers to attract certain types of light industry and thereby put a brake on out-migration. Thus, the Portuguese

Central Planning Office has suggested that light industries might be planted in rural zones. But it finds that while such decentralization has become technically feasible, given the relatively low equipment cost of these enterprises, it is likely that "this interesting initiative will immediately run into the impossibility of engaging qualified local personnel. Such a situation bears witness to the necessity of an effort in the matter of technical education in the backward regions". However, there is still the problem of knowing how to orient technical training. For example the program of regional action for the north planning region emphasizes the need for more social and cultural investment and professional training to attract industry, but points out the difficulty in organizing professional training before it is known precisely what types of firms will be established.

Anyway, whatever the weight of political pressures, it seems not to be economically rational to attempt to induce economic growth in backward regions by means of excess economic investment so long as better alternatives exist in intermediate regions. These regions are left, therefore, with basic alternatives: out-migration (channeled to intermediate regions); or the development of local resources to a point where they can, in combination with public infrastructure investment, provide a realistic competitive basis for industrial location.

However, there is a great deal of empirical evidence that out-migration from backward regions cannot be relied upon to eliminate interregional differences in income.⁽¹³⁾ While interregional wage differences may result in some migration, if full employment prevails in the more advanced regions and if net capital formation in such regions represents extensive investment, the effects of capital deepening on employment opportunities will depend both on how it affects the marginal product of labour and on the nature of relevant product markets. Nor will capital flows tend to reduce significantly regional disparities, since, as has been pointed out, new investment tends to flow to already advanced regions; in any event, many industries are capital intensive, and labour intensive industries may not be growing rapidly enough. Most of the backward regions will not be fortunate enough to benefit from natural resource discoveries, the burden of creating development preconditions falls on public policy - but not primarily along economic investment lines. What is called for in backward regions is concentrated social investment.

Only in recent years economists have tended to move away, from explaining growth almost exclusively in terms of increasing the supply of inputs or shifts in the production function caused by technological innovation, toward emphasis on changes in the quality of the inputs, and especially the quality of the human input.

On the one hand, this shift of emphasis has resulted from the evidence provided by numerous empirical studies that only a small part of output growth can be imputed to increases in capital and labor inputs.⁽¹³²⁾ Consequent attempts to explain the nature of the residual factor have led, on the other hand, to greater interest in the role of investment in human resources (social) as a source of development. Thus, T.W. Schultz has maintained that direct expenditures on education, health, and other activities aimed at improving the quality of human effort account "for most of the impressive rise in real earnings per worker."⁽¹³³⁾

Edward Denison's remarkable effort to break down the residual into its component parts, although open to certain criticisms, is particularly instructive in this regard. His calculations indicate that improvement in the quality of the labour force through additional education contributed significantly to United States growth rates in the 1929-57 period, equal to 23 per cent of the growth rate of total real national income and 42 per cent of the growth rate of real national income per person employed.⁽¹³⁴⁾ The latter growth rate was 1.60, of which .67 percentage points were attributed to increase in education per worker and only .15 percentage points to the increase in the quantity of capital per person employed.

In response to those who have considered his estimate of education's contribution too high, Denison notes four ways in which education contributes to productivity. First, he says, a better educated person will do a better job than a less educated one within a given occupation. Second, additional education makes individuals more receptive to new ideas and more aware of better ways of doing things. Third, it gives an individual a wider range of choice and appreciation of alternative occupations. Finally, there has been a shift "from occupations requiring little education to those requiring more."⁽¹³⁵⁾

It should also be noted that increased education, in addition to being "one of the largest sources of past and prospective economic growth", is also "among the elements most subject to conscious social decision".⁽¹³⁶⁾ Moreover, it is possible to de

velop objective criteria for planning education (and possibly other types of social investment) for productive purposes in terms of "how much" and "what kind", as the work of Eckaus has shown.⁽¹³⁷⁾

In the light of recent stress on the benefits of investment in human resources, it is especially important to realize that while the social investment needs of backward regions are relatively great, their social equipment is generally the least well developed. European experience, for example, indicates, "For a wide range of industries, the skills required of the bulk of the labour force can be easily developed once training facilities are available. But the present distribution of Technical schools is very uneven. The figures suggest that the insufficiency or complete lack of facilities for industrial training in less industrialized or under-developed regions is an important factor tending to project the existing distribution of industry into the future."⁽¹³⁸⁾

Furthermore, Hansen has demonstrated that differences in per capita social investment between areas of industrial and commercial importance and areas lacking such importance are much greater than differences in per capita economic investment outlays.⁽¹³⁹⁾ Thus, social opportunity cost considerations would favor concentrating public investments in social in backward regions, where the corresponding marginal products (short and long-run) generally will be greater than in regions already well equipped along those lines..

Of course, it might be argued that provision of social facilities in backward regions should be primarily a local task. Hoover notes that a region's success in holding and attracting employment is determined more and more by considerations such as standards of education, technical training for new entrants to the labor force, retraining of those already in the labour force, and the region's attractiveness as a place to live, and less and less by locational factors such as transportation and availability of materials and power. He further maintains that urban renewal and the education task with respect to manpower resources are "something that can be accomplished in and by the region itself. This kind of policy could not possibly be accomplished, in fact, in any other way."⁽¹⁴⁰⁾ However, while it may be possible for some areas to provide the needed facilities entirely on their own, and while local concern and cooperation certainly are necessary in any attempt at regional development, it is not feasible to expect - taking into account the Portuguese administrative and tax systems that most backward regions will be able to provide sufficient social investment for themselves.

Of course, availability of social investment, even if provided in large measure directly or indirectly by the central government, will not in itself necessarily induce immediate growth in backward regions. It is increasingly apparent that economic opportunities exist primarily for those with the skills and training to take advantage of them. Since skills and training are largely a result of social investment, it is quite likely that the development of social facilities in backward regions will result in the out-migration of persons seeking higher wages.

In general, then social investment in backward regions will result in two contrary tendencies: the one involving the attraction of firms seeking qualified labour, and the other involving out-migration of persons with skills and training which can best be put to use in more highly industrialized regions. The extent of out-migration therefore will depend on the extent to which industry is in fact attracted, the time lag involved in this process, and on the extent to which persons prefer to live in their own region despite economic disadvantages. There is also the possibility that if growth is initiated, numerous persons who left the region may return, bringing with them skills acquired in more advanced regions.

In any event, social investment in backward regions will not necessarily check out-migration in the short run, and it may possibly even encourage it. Nevertheless, rational government investment policy should not be confused with attempts to stabilize regional populations, at least insofar as economic policy aims at increasing welfare from a national point of view. However, as has been argued, if problems of backward regions are not amenable to rapid solutions in the short run, initial emphasis on social investment still offers the most feasible policy in the long run.⁽¹⁴¹⁾ Furthermore, the central government may promote growth directly by transferring some of the activities of its own agencies from developed to backward regions, or by locating new activities in backward regions, assuming in either case that such measures would be economically feasible.

It should also be noted that an increase in out-migration from backward regions as a result of social investment does not imply that economic investment would not have this result as well, particularly if it is in the form of improved transportation facilities. Those who advocate developing backward regions by making them more accessible often forget the other side of the coin; since higher wages in other regions become more accessible, labour mobility may increase substantially.

Finally, one can ask what is the feeling of public opinion or regional forces concerning this question of regional investment priorities. It is evident to me, in the case of Portugal, that public opinion as such would not be an adequate guide in selecting regional investment priorities. Moreover, it also is doubtful whether public opinion concerning goals can be effectively utilized in planning public investment priorities even where the latter are not based on public opinion but on more or less expert analyses and findings. The chief problem here is that people generally favor increasing agricultural productivity but oppose out-migration. This contradiction could be resolved if backward regions could attract sufficient industry, but, as we have seen, movement of firms to backward regions generally has not been pronounced in the past, even with government incentives; moreover, there is no compelling reason to believe that this situation will be changed in the immediate future, at least in the absence of artificial and noneconomic, hothouse industrial development, an unlikely prospect within the Portuguese framework.

In a seminar⁽¹⁴²⁾ organized by the Regional Planning Committee of the North about 200 people of that region (the Committee selected fifty people for each district at the region) were inquired. Their opinions indicate that the population as a whole is especially sensitive to the need for more social facilities, though in broadly regional terms there is no significant variation in the regional Economic Social composition of total public investment needs. It is interesting to note, however, that those backward regions which tend to emphasize the relative importance of economic requirements put particular emphasis on agricultural and highway needs. But amelioration of agricultural needs would probably result in a great labour surplus, while improvements in highways, as we have stressed, would provide better means for out-migration.

In syntheses, then, the analyses and judgements of scholars and specialists above mentioned clearly indicate that the problems of backward regions are closely bound to lack of benefits accruing from social investment. Also, it may be said that the propositions advanced concerning social investment in backward regions generally were confirmed by these students of Portuguese experience.⁽¹⁴³⁾ The degree of conformity of opinion with the social aspects of the relevant model increases as one moves from the often contradictory views of the public, to the views of regional authorities and economic leaders and planners, to the findings of specialists and scholars.

Finally, if a good case can be made for expansion of social investments in backward regions, it nevertheless is also useful to examine the difficulties involved in attempting to induce growth in backward areas through economic investment. For this proposal, we suggest a study for "Cachão complex" (in the Northeastern region) as particularly instructive in this regard.

PART THREE

**SOME BASIC IMPLICATIONS FOR THE PORTUGUESE
REGIONAL PLANNING**

III - SOME BASIC IMPLICATIONS FOR THE PORTUGUESE REGIONAL PLANNING

1. THE NEED FOR A SOCIAL APPROACH

1.1. SOCIAL ASPECTS ATTRIBUTABLE TO THE NATURE AND DYNAMICS OF REGIONAL MODERNIZATION

Unfortunately one finds an unsatisfactory situation concerning studies and programmes on this field. In this connection John Friedman says: "Public policy has thus become concerned with the manner and pace of economic development of sub-national areas, and space and distance are increasingly considered explicitly in the determination of national policies. But the conceptual structure necessary for the intelligent making of policy is in its infancy. The social sciences, principally sociology, have been laggard in taking notice of space".⁽¹⁾

However, both at the national and at the regional and local levels changes in the pattern of production, consumption and savings, appropriate technological innovation, changes in income distribution and redistribution systems, proper utilization, management and expansion of productive resources, elimination of unfavourable regional imbalances, modernization of institutions, adequate handling of external factors of domination and power, popular participation and many other key aspects of regional development are processes essentially linked with the values, behaviour and efforts of man and society. Such changes occur to the extent that the society involved - through the influence of leaders and appropriate institutions - has the will and ability to effect them.

This active and decisive social participation in practically all the key aspects and phases imparts to development the unmistakable characteristics of social progress in which all the specific variables - economic, spatial, political, administrative and cultural - are basically direct and indirect functions of the individual and of the values and institutions which guide and govern his efforts, as well as of the available margin for bargaining to overcome the internal and external obstacles to development.

All this complex process of social phenomena which development entails - and which, at the national level, seems an abstraction - acquires reality and life in a particular spatial dimension, i.e. in the context of a centre located in a region, and in the context of the population affected by a development policy programme. This is because, as Hilhorst points out, human beings need space to carry on their activities.⁽²⁾

It is in this context - whether it be an "open region", a closed region", or a combination of both - that are to be found the individual and his community, with their complex universe of values, attitudes, motives and skills; that technology and natural and economic resources are used in conjunction to produce goods and services; that procedures for appropriation, distribution and redistribution of wealth are put into operation and that marketing and savings schemes are introduced. It is here also that many of the social, cultural and political institutions function, that social relationships come into play and the various individual and collective interests conjoin and conflict. In this context also man transforms and improves the geographic area and extends the frontiers of the economic area by exchanging goods and services, and by attracting or sending human and economic resources.

Concerning the conception and generation of this local and regional process, there are various theories which would seem to explain in large part the dynamics and mechanics of development in its early stages.⁽³⁾ Social research provides us with unalterable and up-dated interpretations of the line followed in the past and at present. In all of them it is easy to find a central figure - man and his regional or local framework; a constant dynamic force: social change; and a consequent motivation - a sometimes deliberate and sometimes unconscious search for new and better living conditions.

Thus, the generation and unleashing of local and regional dynamic forces constitutes an eminently social process. Before establishing some investment and high productivity poles, it is advisable to generate a new social framework, to motivate, organize and train the regional collectivity so as to enable it to exploit its own resources and make effective use of supra-regional stimuli.

Simply by concentrating investment and setting up high productivity plant, typical industrial enclaves may be created.

In this case the equipment, the technicians and all the workers are brought in from outside. This situation results in two phenomena which are unfavourable for efficient regional development; firstly, a vital direct link created with the outside world enables the enclave to exist and function outside the regional collectivity; secondly, this link leads to an extra-regional syphoning off of production and revenue. Both of these aspects involve in practice a virtual marginalization of the regional society and of a considerable part of the local resources and they accentuate the condition of dependence and social stagnation. To this situation are added all the social problems resulting from the force of attraction exerted by the new centre of activity on the population, and the frustration and complications accompanying the urbanization which it stimulates.

Thus, in the Portuguese case - in which the problem of regional development is basically of creating in the new location social conditions in which the transferred surpluses will bear fruit and establish roots in the new environment - the organization and development of a region is somewhat more complicated and challenging a task than the establishment of a few individual industries or of a high productivity industrial site for the development of a key natural resource. Such solutions are necessary and undoubtedly can play an important part in industrial development in the framework of the global economy, to the extent that they increase the national and regional product, replace imports and absorb unexploited resources, but they alone are not sufficient to trigger a real local dynamics. The local and regional population may often become more dependent and the non-industrial economy as a rule quite depressed.

Portuguese experience offers already many examples generally confirming this opinion, for example, the large resources mobilized for construction of the Cachão Industrial Complex in the north-east region have certainly benefited the country and region's overall economy but the local population and the non-industrial economy of the area do not appear to have benefited. This is shown in part by the extremely marginal economic and social circumstances of the population which has no direct connection with the industrial activity.

Regional social modernization can be defined as a change in the structure of regional society, in attitudes and personality types. Basic traits seems to be: 1) change in the predominant normative structure regulating social actions, with an emphasis on

instrumental rational action; ii) institutionalization of change, predominant over institutionalization of tradition; iii) growing specialization of institutions and emergence of specialized and autonomous value systems in relation to each institutional sphere. It must be noted that the distinctive trait of modern society is the permanent incorporation of appropriate mechanisms to originate and to absorb a continuous flow of change, while maintaining an appropriate degree of integration. In this respect one can introduce an analogy with economic development: social modernization is a transformation of the social structure involving mechanisms of "self-sustained social change".

In fact, given the basic unity of the process of transition, "self-sustained growth" and "self-sustained social change" are different ways of perceiving the same concrete process. A failure to establish such mechanisms for continuous change may lead to a "breakdown" of the process of social modernization, in the same way as failure to establish the corresponding mechanisms in the economic structure is conducive to a "breakdown" of the process of economic development. Finally, it must be stressed that the essential trait defining modernization is not the fact of continuous change, but the capacity of originating and absorbing it, ⁽⁴⁾

The interrelationship between "economic" and "social" processes acquires particular analytical importance at the "turning points" that occur in the course of transitional process of a regional society. A "turning point" is then defined as a particular moment in which a re-orientation should occur. However, its actual occurrence as well as its nature - positive or negative - from the point of view of successful modernization and economic development, will be determined by the particular interrelationship of social and economic processes, that is, by the particular configuration of social and economic structural traits originated by the previous course of the transition, and the "decisions" assumed by ^{specific} social actors (individuals and groups in key positions). It is suggested that the breakdown in the process of regional modernization, economic stagnation or alternatively, further progress towards higher degrees of modernization could be explained in terms of such "configurations" and "decisions". ⁽⁵⁾ Furthermore, the meaning of "decision" must be defined in terms of the range of "choices" concretely available to actors. Such a range will vary under different internal and external conditions (i.e., under given "configurations" of structural traits). Another important factor is the degree of scientific knowledge and technology (both in the natural and in the social sciences) available to actors, as well as the degree of "awareness" of planning.

Thus, the process of social modernization and economic development include changes in values and attitudes and a least certain minimum structural changes in strategic institutions. Two main areas of change must be mentioned: a) changes in values, attitudes and institutions regarding science, technology, education, and its application in the modern sense; b) changes in attitudes, values and motivations regarding economic and political institutions. It is important to note that the usual pattern has been that the subjects of these changes are usually elites ("innovating and modernizing elite"), small sectors of the population and limited geographical areas within the national territory.

However, this limitation (both geographical and social) does not mean that the majority of the population or the institutions and regions excluded from such a modernization process, remain completely unaffected and unchanged or precisely as they were prior to the transition period. In the first place, their situation is affected by the mere emergence of "central", more modernized groups and areas (they become "backward"); secondly, the emergence of modernizing elites, groups and areas is not an isolated process within the global society (even when originated elsewhere - that is, of outside origin). On the contrary, it is an aspect of the disintegration of the traditional structure (or at least a sign that disintegration is beginning). Innovating elites usually arise from a process of partial displacement, which makes them available for change and innovating attitudes.⁽⁶⁾

It may be useful at this point to briefly enumerate other factors that are likely to intervene and condition the nature, orientation and rate both of the modernization processes and of total transition at a regional level! All these factors are well-known and a mere mention is sufficient:

- a) the nature and availability of "human resources" in the region, that means the region's "viability" and the necessary conditions for economic development according to such resources.
- b) The relative position (central or peripheral) of the region in relation to: i) the national stratification according to political and economic power and consequently according to degree of political and/or economic dependence; ii) the specific (and changing) circumstances created by the national situation at a particular moment of time and during transition.

- c) Historical and cultural traits and social structure of region when initiating the transition, i.e. type of society at the "point of departure". It may be observed that the concept of "traditional society" has often been used, in Portugal, as a residual category including a great variety of social structures and cultural conditions. In fact, a typology of "points of departure" would be necessary.
- d) The nature of the available technology at the initial moment of the transition and its further evolution and changes during the transition.
- e) The state of knowledge and statistics in the social sciences, especially in relation to the process of modernization.
- f) The degree of "spontaneity", "awareness", "deliberation" and "planning" that characterize the social actions generating the partial processes of regional social modernization.
- g) The different types of elite that lead, or in one way or another participate in, the initiation of the transition and its further stages.

Some other general observations must be added: i) these categories of factors are not clearly separable, in fact, there is a considerable overlap between them; ii) the various factors are not independent, but are intercorrelated to different degrees; iii) all the factors operate within a national system which moves towards greater unification and interdependence. While analysing the process in a given regional unit, it must always be remembered that such a process cannot be separated from the global context at the national level; iv) Finally, as indicated in the enumeration above, all factors are dynamic; in other words, they change continuously throughout time, thus originating at any given moment different configurations of circumstances affecting the transition while it is taking place.

It is now possible to attempt to relate the notion of the "socio-economic situation" to the concepts of regional social modernization and economic development as used here. In their dynamic meaning, the latter are processes of structural changes, while from a static perspective they indicate the socio-economic stru

cture reached by the regional society at a given moment of time, as emerging from the previous transitional processes.

On the other hand, the regional "social situation" and the "economic situation" may be considered as the consequences of the socio-economic structure, such as it exists at a given moment. What is important to emphasize now is the idea of circular or reciprocal causation. In other words, the transitional process originates a given socio-economic structure, producing consequences in terms of the "social" and "economic" situations. The social and economic situation and their components, in turn, are factors which determine the further cause of the transition. High level of welfare, good health, high and adequate education, good housing etc., have a "productivity effect", while accumulated "wealth" and level of GNP have a "welfare effect". But such effects are factors that operate in conjunction with the other structural conditions. A given "welfare" effect or "productivity" effect may be neutralized or facilitated by such structural conditions and structural changes.

In this framework one can understand why development at the regional level is also of somewhat greater significance than an indiscriminate transfer of financial resources with no adequate guarantee that they will be invested effectively and in accordance with a sound development policy which is in both the local and the national interests.⁽⁷⁾

The development of a region or of a development pole should be viewed rather as the social process of generating a local and regional dynamism and modifying the dominance relationships which affect the region. The former consists basically in releasing and setting in motion the individual and collective potential of the local community, creating a local awareness of the dynamic role which the community concerned should and can perform in the national life, and efforts to attain these objectives through accelerated development.

This phenomenon involves two types of processes: i) an endogenous process in which the human potential and the natural, economic and institutional resources are released, combined and developed, through an accelerated process of social change; ii) and an exogenous process whereby - the system of dominance having been broken or modified - conditions are created which permit integration with the other sectors of the country and the economy. The former is a local responsibility and is very much dependent

on the values, motivations and attitudes of the population, and the availability of local resources. The second process is related fundamentally to the capacity for action and organization of the central authority and its relationships of dominance and power and is therefore essentially a national or supra-regional responsibility. In both cases, the problem faced is undeniably of a social nature.

Thus, from a sociological standpoint, the development of a region depends primarily on adequate human and natural resources and on favourable relationships with the extra-regional centres of power and development.⁽⁸⁾ The natural resources are a fortuitously predetermined or given factor, while the human resources and the power relationships are social variables dependent on many processes inherent in the values, attitudes and skills of individuals and in the social and political institutions to which they give rise. It can even be said, to some extent, the discovery, utilization and even the destruction of natural resources are similarly dependent on the individual and these institutions. In that sense they are partially social variables.

One of the major restrictions in Portuguese regional planning is the little attention devoted to the significance of investment in human resources, or as some would have it, human capital. Indeed, it seems almost incredible that till now so little work had been done in this field. Fortunately, it now becomes apparent that among the factors which contribute to regional development the quality of human input ranks very high.

The individual and the community being the central axis of the dynamics of development, social values and attitudes are bound to play a key role in the problems and strategy of regional development. In this framework, the starting point could be the premise that a region which - in addition to possessing adequate natural resources and an efficient institutional organization - has a population with "positive" characteristics and qualities possesses the basic conditions for a dynamic development.

It so happens that, for various reasons, these conditions are not sufficiently favourable in most of the peripheric regions, even considering the intermediate regions. The social, economic, cultural and psychological conditions of large sectors of the population and their corresponding institutional systems are generally poor and precarious and the representative groups are not capable of playing a dynamic role. In such situations investment generally stagnates or migrates to metropolitan regions

(Lisbon and Porto) and employment opportunities decrease. At the same time, a concentration of wealth takes place, social mobility is checked and the middle strata of regional society gradually become poorer. As a rule a vicious circle develops in which the general conditions of depression, dependency and marginality adversely affect the population just as this circumstance limits the possibilities of stimulating development. This phenomenon is a key aspect which in some cases explains the difficulties of Portuguese intermediate regions.

Regional organization and development are mainly dependent on various aspects of the behaviour of the population and its ability to respond to the stimuli and obligations of development.⁽⁹⁾ One of the first steps of a regional development policy must be to motivate, train and organize the population individually and collectively so that it can act as the agent, subject and beneficiary of development. It has been increasingly recognized in theory and demonstrated by experience in Portugal, that unless this motivation and mobilization exist, development has no meaning or momentum, planning cannot be effective or enjoy popular support, and programmes meet with all sorts of resistance and difficulties.

These factors decisively affect a population's capacity to undertake and accelerate the processes of transformation and organization inherent in development and its will to acquire the degree of motivation needed to produce more and better and to progress socially, culturally and politically.

This aspect is related to the creation of new and positive values, attitudes^{and} power conducive to systematic social changes in the principal traits of region's life, including: i) changes in the structure of production, productive resources, employment, income and its distribution and re-distribution, etc.; ii) changes in social structures, with particular reference to social stratification, the size, composition and distribution of the population, social relations, etc.; iii) cultural changes, particularly with regard to values as a whole, the form, aims and motivations of education, the dissemination of meanings and symbols, etc.; iv) changes in the political administrative structure, with particular reference to the power structure, the decision-making process, labour organizations and co-operatives, civic associations and other instruments through which participation by the people is effected.

Moreover, since the key factor of development in a given area is the active presence of a population equipped with the motivations, value and skills needed to mobilize and make reasona-

ble use of the resources at their disposal, one of the primary aims should be to create the conditions for the regional and functional organization. Although a dynamic intermediate region in active process of change is generally characterized by a high degree of conflict and confrontation, if it is to take part in the regional development effort, its inhabitants must be united and organically integrated to a degree which ensures a reasonable level of consensus and unity of action, in other words, the region must have a set of values, social and cultural standards, and specific interests which ensure a certain degree of cohesion and enable it to feel, act and project itself with relative unity. This implies the existence of internal bonds, certain common general aspirations and organization. These should be reflected in various functional bodies - associations, trade unions, pressure groups, etc.

For this reason one can suggest that an empirical study aiming at alternative solutions to bring about a social structure conducive to Portuguese regional development should start from an analysis and identification, by each region, of the main groups and "actors" involved in the process of regional development and their actual and potential roles under alternative institutional systems. "Actors" to be included in such analysis are, for example:

Inside the region:

- i) Regional Power Elite.
- ii) Civil Servants and Public Administrators
- iii) Active Population.
- iv) Marginal Population

Outside the Region:

- v) Investors
- vi) Entrepreneurs
 - a. for production units
 - b. for "service institutions" - Such as banks.
- vii) Members of Liberal Professions, - such as medical doctors

viii) National Politicians.

ix) National Planning Office.

Regional development policy should establish or strengthen the social climate, institutions, and processes needed to give the community the necessary coherence, organization and motivations. In so doing, proper consideration should be given to the following factors:

- i) population characteristics and trends, with a view to ensuring the vitality stability and composition best suited to development;
- ii) characteristics and trends of human settlement, to ensure a distribution and structure conducive to development;
- iii) a leadership and organization of society, both regional and local, permitting a deliberate mobilization of the population in support of the processes and aims of development;
- iv) the creation and strengthening of positive values likely to produce motivations and attitudes favourable to development;
- v) the creation and strengthening of regional values, symbols and interests likely to instil a degree of collective awareness enabling the community to recognize and take up the challenge of regional development;
- vi) the establishment or improvement of operational agencies and machinery that permit administrative decentralization and local participation, as well as the implementation of other aspects of regional development policy.

1.2. SOCIAL ASPECTS OF REGIONAL ECONOMIC DEVELOPMENT

Regional development efforts are sometimes described as attempts at transformation of the socio-economic system, mainly through the development of new activity clusters with strong complementary linkages.⁽¹⁰⁾

For the purpose of social analysis, it is important to note here that economic development and in particular industrial development depends most directly on four categories of people: entrepreneurs; labourers; investors; and civil servants.⁽¹¹⁾

There is a need for an analysis of the institutions, values, attitudes and social relations of each of those categories of "actors" and for an indication as to what extent and under what conditions those elements are impediments or assets for economic growth in the context of a regional development project. Subjects for sociological research in specific regional projects aiming at industrial development should be for example:

	<u>Their prevailing attitudes, etc.</u>	<u>Their prevailing social structure.</u>
a) entrepreneurs	motivation mentality knowledge interest in cooperating	size of firms type of management organization and efficiency
b) investors	preferred investment attitude toward risk-taking	role in the social structure
c) labourers	aspirations frame of reference individualism	labour unions
d) civil servants	motivation frame of reference	role in the social structure

The importance of attitudes for economic development has been stressed again by Prof. Tinbergen. According to him the most important basic attitudes involved are:⁽¹²⁾

- i) an interest in material well-being;
- ii) a willingness to look ahead;

- iii) a willingness to take risks;
- iv) an interest in technology
- v) a willingness to cooperate
- vi) an ability to persist and
- vii) a willingness to accept the "rules of the game".⁽¹³⁾

He stresses also that those attitudes (or their absence) are interdependent with the environment in which a population lives.

Though industrialization is often the main path chosen for development of regions, not less important in number, size or potential economic impact are regional projects which heavily rely on progress in agriculture. In rural development projects several main categories of "contributors to economic progress" can be distinguished, (e.g. the farmers, civil servants, outside investors) and an approach similar to the one described above might be followed for sociological analysis. Yet a different approach seems preferable. Rural regional projects are often vast in sheer size and population and the population categories which the sociologist wishes to study are usually more spatially dispersed in small clusters and less neatly registered in official files and census reports than in the case of an industrial regional project. For this reason it may prove advisable to proceed in rural projects with collection of data and with their analysis according to practical problem clusters. Some problem clusters are: landtenure systems, the sociological aspects of the economic structure of rural communities, the impact of poverty on attitudes and on social relations, local and regional social stratification and its impact on change, family organization and wider kinship groupings, informal groupings and the potential role of formal associations, exchange labour systems and wage labour systems, the impact of religion, of tradition, of illiteracy and the potential impact of improved communications on changing old values, attitudes and aspirations. For each of these problem clusters the purpose of analysis would be to determine the positive and negative impact on economic change and to indicate alternative solutions or improvements over the prevailing situation.

Several regional development projects have explicitly the wider aim not only of increasing production but of completely transforming the whole social structure of the area concerned.

Social change and institutional change are closely related. In the context of specific regional projects an effort should be made: a) to investigate why greater institutional change had not occurred before, and on the basis of this inquiry, b) to indicate core areas in the institutional system where a breakthrough might be tried. Both questions entail research of elements of the social system of the particular region.

On the first major subject: "reasons for stagnation", exploration should focus first on the prevailing attitudes and motivations, in particular in the field of economics and education and on the predominant habits, usages, norms and traditions. However, attention should be also given to the social structure of the region, in particular to the existing social hierarchies based on the distribution of wealth, power and prestige. Here, core topics for research should be: the position of the elite, the "patronage" system in the region, size and aspirations of both the old and new middle classes, the extent to which the lower class is exercising its civil rights and is able to participate in the life of the region; and ways and means of upward social mobility.

It seems important not to limit research to the population of the male sex. Women are the other 50% and mostly do the hard work. Their position is crucial for the success or failure of any real social transformation at local or regional level.⁽¹⁴⁾

The role of power should be a main subject for research on social or institutional transformation in selected regional development projects. By power is meant here: "the possibility, on the part of a person or group, to restrict other persons or groups in the choice of their behaviour in pursuance of his or its purpose".⁽¹⁵⁾ For example, the stress laid in the past on the theory and practice of Community Development on changing attitudes should be complemented with efforts to widen the choices of behaviour for those who have meanwhile changed their attitudes. Power can be used not only to promote change but also to restrict the aspirations of competent youth, of competent farmers, of competent women.

Some elements of power which need precise analysis in order to arrive at suggestions for institutional change are: the base of existing power (economic, prestige, intelligence, etc.); the forms of power exercise; the goals of those who exercise power (to gain control over information, over economic goods, etc.); and above all the accepted institutionalization of the power process in the region concerned.⁽¹⁶⁾

The questions suggested here for analysis of power structures lead to the second major question, namely to present ideas on how to arrive at change in the institutions of the region concerned.

In the past much thinking and action has been on changing values and aspirations, mainly through the use of education in its broadest sense and to a lesser extent through improved communications with the outside world. These two problems clusters (education and communication) remain valid foci for both research and action under a regional development programme. But more strongly than before attention and action should now focus on developing functional formal organizations of all kinds, which in themselves can constitute new elements of power, new ways for action, and new channels of education and communication. To some extent these new organizations can appeal to feelings of solidarity already existing within the region but never expressed among different categories of the population: farmers, factory labourers, women, youth, etc. In a rural regional project for example, one or more of the following functional formal organizations might be developed: cooperatives, farm development committees, credit organizations, farmers associations (such as a regional agricultural society), regional branches of youth organizations, women's associations, regional and local branches of the farmers union and of labour unions, etc.

The study of the transition from informal to functional and formal organizations is a central area for successful regional development. This exploration, in the context of regional development, should comprise these core fields:

Analysis of status quo:

- a) attitudes, values, etc.
- b) social stratification, position of women, power structure

Analysis of means of change:

- a) education and communication
- b) functional formal organizations

Social research in Portugal has been for a long time concentrated on the study of class structure and on the influence of social service development. Recently, this branch of research has been enlarged to include the sociology of urbanization, migratory fluctuation and problems of adoption. On this basis, the scope of sociological research has to cover a number of macro-as-

pects of sociology, which are pertinent to the examination of social development in the regions. This tendency has to be supported.

Among the aspects of social development, special attention must be paid to:

- i) the examination of social environment in individual regions with special reference to the mentality, adaptability to rapid social changes and existence or absence of the entrepreneurial spirit;
- ii) the meaning of social preconditions for economic development;
- iii) the sociological aspect of migratory fluctuations. Implications of migratory fluctuations in backward and in more developed areas;
- iv) the social problems of urbanization as one of the most important aspects. The influence of urbanization: is this influence felt only within the towns? Are the towns, exposed to the influence of ruralization owing to manpower fluctuations and how much? The question of working habits and discipline. Adaptation to higher cultural standards. The evolution of customs and changes in villages. The change of value-scales and its influence of behaviour;
- v) how much is regional interest developed, in which form ^{does} it appears and who are its carrier? Do regionalism and localism exist and how are they expressed? The sociological explanation of the regional policy actors;
- vi) national factors in regional development.

1.3. SOCIAL RELATIONSHIPS AFFECTING PLAN FORMULATION FOR REGIONAL DEVELOPMENT

1.3.1. SOCIAL ASPECTS OF THE PLANNING PROCESS

Though it is difficult to determine at which point in policy making for regional development the term "planning" becomes

appropriate, it is certain that in its fullest sense the term regional development planning implies:

- a. That a model of the intended future regional situation has been or will be drawn up in respect to:
 - i) specific human activities (economic, administrative, etc).
 - ii) Their location in the different regions of the country.
 - iii) physical infrastructures, installations, which are to provide the physical framework for these activities.
- b. That a programme of action has been, or will be, formulated with a view to achieving the situation represented in the model.

In actual practice, Portugal has not evolved till now such full planning in respect to regional development. In some cases elaborate regional blue-prints have been prepared which were not adhered to, and planning bodies were created which soon lost contact with actual developments in the region for which their planning was supposed to promote economic growth and social transformation and to improve patterns of human settlement. This relatively discouraging experience should provide an inspiration for an empirical and down-to-earth approach in choosing a focus for sociological research into the institutional aspects of planning for regional development.

The effectiveness of planning depends not only on the number and competence of professional planners, but also on the convergence of ideas, feelings and aspirations of all involved in planning and affected by planning, and, on the other hand, on the kind of social relationships and interactions between all concerned. Sociologically regional planning can be viewed as a purpose-oriented system.

Assuming that the public interest can be defined and pursued through coherent regional policies, sociological research supporting regional planning in Portugal can usefully focus on the extent to which the prevailing social relations and attitudes in the region allow regional planning to acquire a comprehensive and rational character. This analysis will help economists, physical planners, and others to be realistic about the content, scope and process of their proposals.

Thus, as regards plan formulation the analysis should identify the planning ideas, planning objectives, planning principles and planning criteria on which there is some agreement among different population groups and categories, and those on which there is no agreement among different population groups and categories, or even conflict of opinion. Practice shows that regional plans reflecting only the opinions of planning officials but which are opposed by major interest groups, will remain ineffective.

In this connection, sociological research has also to make explicit the often implicit planning ideas of certain groups, for instance the desire to prevent social upheaval, or their lack of belief in social progress; or their possible anti attitudes in planning etc.

As regards the social relationships relevant to the planning process, research should identify the existing distribution of power between different groups and categories in order to help find a degree and form of planning which has a fair chance of becoming operational.

On the basis of his analysis of the social system of the region (and of the nation) the sociologist can give advise on:

- a) the realistic scope of the regional plan. Should it be a modest start with planning in selected sectors, but not yet integrated; is integrated multi-sectoral planning feasible; or are social conditions really ripe for comprehensive regional planning now?
- b) the advisable function of plans in relation to regional development. Should they be merely advisory; or are restrictive types of plans easier to implement, or is a plan coordinating already accepted policies more realistic as a start?
- c) the devices for plan implementation. Which devices are now acceptable to the population and to specific groups? Persuasion, inducement, compulsion, direct government operations, joint public-private ventures, special legislation, taxation?
- d) the administrative arrangements (organisational structure and processes) for plan preparation and execution involving among other an assessment of

the operational efficiency of the bureaucratic structures (in particular as regards the interference of social stratification and of the "patronage" system) and of the extent to which institutions have been created to allow persons outside government to become involved in regional plan formulation and implementation, e.g. particular interest groups and the population at large.

Seen in this perspective the future assistance of sociologists to policy making in the context of regional development projects can be outlined as follows:

- a) analysis of prevailing social systems with focus on fields outlined throughout this thesis. Emphasis on comparison between the proclaimed higher values of the society concerned (freedom, democracy, social justice, etc.) and the actual social structure and culture in individual regions and localities.
- b) diagnosis of main discrepancies; e.g. indication of categories of people who are presently restricted in their human potential; indication of rifts and splits in the local and regional social system, in particular as they affect regional economic development, and the integration of the region into the nation.
- c) prognosis of future spontaneous developments if no action to correct the situation is taken. In sociology this prognosis means most often: estimating the probability that something will, or will not happen, for instance: the chance that a certain region will or will not become more fully integrated in the nation in the near future .
- d) outlining alternative courses of action to deal with incidental or structural problems. Political authorities in whose service the sociologist has made his study will have the final decision on the courses of action that will be taken.

Furthermore, assuming that the public interest can be defined and pursued through coherent regional policies, the sociologist, dealing with plan formulation for regional development, has

a clear need for the clarification of the correspondent basic theory. It appears that G. Myrdal was right in emphasizing the need for a theory not only of global but also of regional development. Many unsolved questions in regional development require a unified theoretical platform for their solution. But, no such theory has been elaborated in detail in Portugal.

Certain principles such as comprehensive planning and specialization, although they are available in practice, do not represent an elaborated theory. For the same reason it would be of considerable interest to determine the value of the theory of growth poles (and implicitly that of "Ordenamento do Território") under the conditions of the Portuguese economy. It seems that there is no "rational" objection to this theory. On the contrary, starting from the dynamics of structural changes and formative forces, the theory of growth poles implicitly accepts the fundamental terms of the global development.

Starting from a unified theoretical platform, this theory appears to pay special attention to the following research fields:

- i) The context of social and economic goals. Is there, and under what conditions, any conflict among the goals? If there is, how can it be resolved? Are there special and individual goals or different regional paths for the implementation of the goals set up by the society as a whole?
- ii) The prospect for regional development. Its human and economic meaning in the future. The factors increasing and those decreasing its significance in the further process of regional development;
- iii) the question of social and economic criteria of regional development. The social and individual criteria of economic and non-economic allocation;
- iv) regionalization problems. The role of social and economic conditions in determining the type of region. The influence of regional conditions upon the choice of the regional development model;
- v) the regions as an open system. Is the system theory applicable to regional conditions?

- vi) the meaning of the optimum in regional development. Antagonism between the regional development and socio-economic development optima. Are these optima in contradiction, and if so, how can this contradiction be resolved?
- vii) is, and how far is, the regional approach to global development reaching the given level of development justified?
- viii) social costs and accounting methodology.

Finally, another major field for sociological research in connection with planning for regional development is complementary to the fields just outlined. Once the sociologist has identified the extent to which rational and comprehensive regional planning is possible in the country and the region at a certain period, (and thus also the extent to which planning is not possible at present) major attention should focus on ways and means to improve the social conditions for a more effective use of planning as a tool for regional development. Here the conceptual categories of sociological investigation are very similar to the ones I will outline later on, dealing with social transformation. With those conceptual categories (e.g. such as power-structure; communication) pivotal areas in the resistance against more rational or more comprehensive regional planning can be identified, and ways and means for change can be suggested

1.3.2. INSTITUTION BUILDING FOR WIDER POPULAR PARTICIPATION IN REGIONAL PLAN FORMULATION

Portuguese government has recognized wider popular participation as one of the ultimate goals of development, but sociological research should determine if their leaders have defined its meaning and content in operational terms and whether any policy can be discerned as the central one in relation to popular participation in the life of the nation.

At the same time research must explore the institutional implications of the fact that in Portugal the majority of the people have long been excluded from the tasks of government and the furthering of development, or the fact that while present lines of economic growth and social change are of a nature to foster popular participation, there is only lukewarm support in central policy and decision-making layers for creating instruments of local institutional change and participation.

Attitudes prevailing in key-groups such as the local power-elites, local business circles, the church, the military, the press, have to be explored as regards the extent to which support to further participation is being given. In Portugal the prevailing centre-local relationship, between the capital city and the rest of the country, and between the central government and authorities at lower levels, has not facilitated any initiative towards broadening the basis of participation.

It is noteworthy that it is in particular in relation with such a type of situation that professional persons dealing with regional planning are currently opening discussions on the broad issues of the models for the society of the future⁽¹⁷⁾ Recent discussions sponsored by the United Nations point to a high degree of consensus among regional planners as regards the ultimate goal of social transformation and participation of society in regional planning and in regional plans.

For the Portuguese case, however, there is an increased risk that goals in regional policies and regional plans become ambivalent in a situation where government leaders and politicians have not yet defined their concept of wider popular participation (and in fact, may wish to use planned social change in order to prevent upheaval) while on the other hand regional planners may wish to insert progressive democratic ideas into the future model. In order to get their goals accepted in such a situation, planners may feel tempted to promise at the same time (but to different groups in the region): preservation and changes, past and future. Goals presenting such different faces may at first obtain common consent practically without scrutiny. It may however prove difficult to translate such goals later into concrete, quantified, objectives and targets and it may prove difficult as well to implement such goals as various groups will gradually discover the points on which the plan contradicts their group interests and "their" view of popular participation for others.

Whether or not wider popular participation is among the explicitly recognized goals of regional planning, any public planning, including regional planning, is usually considered to be more valid and effective the more it is: i) rational, ii) comprehensive, and iii) reflecting the interests of those for whom the plan is made.

Here the question arises as to what extent regional planners, including those who aspire to a complete transformation of the social structure, do themselves meet these three criteria in their formulation of regional policies and regional plans.

Regional development planning as a profession is only emerging now in Portugal. However, a closely related professional specialist of established academic standing is the urbanist, whose claim towards building for a new society at city - scale shows a remarkable resemblance with the claims of today's regional planners towards constructing a new society at a regional scale. Evaluations have been made of city planners' professional performances of the plans they produce.

Thomas A. Reiner, upon analysis of ^{most} 20 city plans presented during the period 1896-1947 by world-famous town-planners, concludes regarding their logical consistency that in many cases the conclusions simply do not follow from stated assumptions; that often also neither the source nor the degree of certainty of the goals are identified and finally that there is sometimes even confusion as to whether the plan is intended as an actual plan of action or only as a logical demonstration of theoretical possibilities. As regards comprehensiveness, he notes that sometimes the entire economic or social situation of the planned city is left out of consideration and in general that there is little recognition by the planners of the limitations of their approaches. Insofar as some regional planners today pretend to accurately reflect the wishes of the population by mixing their own ideological views with their professional thinking, it may be interesting to note that Reiner could not detect in the city plans he reviewed a consistency of approach according to the political bias of the authors. ⁽¹⁸⁾

Françoise Ghoay analyses the basic ideas and ideals which have inspired town and country planners including Le Corbusier, Comille Sitte, Raymond Unwin, Patrick Geddes, etc. She brilliantly demonstrates to what extent in various parts of the world planners have taken their own subjective preferences and value systems to be objective and universal. In her conclusions she therefore warns the citizen not to be misled by the myth of "scientific" town and country planning. The idea itself of scientific town and country planning is in her opinion one of the myths of the industrial society. ⁽¹⁹⁾

One of the most interesting sociological evaluation of western town and country planning (in particular in the United States and Great Britain) was made by Ruth Glass. ⁽²⁰⁾ This evaluation points out that in the planning profession the "planners" namely the architects, engineers, surveyors and administrators, are all specialists in their own field, used to a mechanistic mode of thought, and that each one considers planning as a new professio-

nal lable added to his previous one. As regards the reflection of the people's best interests in the plans, Ruth Glass notes that planners in Great Britain under-estimate people's desire and capacity to change, stress the preservation of the status-quo, take their own subjective preferences to be objective and universal, and easily call the interests of some groups "the public interest". It should be noted that this evaluation focused on a country with an universally recognized high standard of training and professional competence among its planning profession, as well as of democratic tradition.

These notes on recent evaluations of the contribution made by town and country planners confirm the urgency of raising the question among regional planners as well as to what extent regional planners do take their subjective "models" for the future of society in certain regions to be objective and universal in the sense of reflecting the true interests of the population at large. It is true that there is a growing feeling that construction of models or of preconceived schemes of social progress is not feasible and that attention should focus on the identification and definition of values and goals to guide planning as a continuing and open-ended process. This recognition does not, however, in any way diminish the urgency of the basic question, which can be re-formulated as follows: how can regional planners ensure that their plans become more rational, more comprehensive and more truly a reflection of the people's aspirations, needs and demands?

At present, all regional planners are located in government services, mainly in Lisbon, a few working in the regions at the Regional Planning Committees. These regional Planners deal mainly with problems of disaggregation of national targets and with problems of aggregation of local targets into intra-regional plans within the framework of the directives contained in the national plan. But what degree of popular participation can be brought about in relation to the formulation of intra-regional or mono-regional plans and policies?

In relation to formulating a regional plan some of the following groups will have some interests to promote or to defend: (21)

- a) the government, represented by its planning office and by local offices of vertical central government organizations (e.g. ministries);

- b) local politicians, representing to some extent the interests of local power elites, big land owners, large industries, business and utilities, etc;
- c) service institutions, including government sponsored banks and credit institutions;
- d) technical assistance in the region;
- e) medium and smaller private enterprises, perhaps represented in a chamber of commerce;
- f) the large majority of the population: the adult male population, often mainly peasants and labourers, perhaps represented in peasant and labour organizations, adult women and youth.

The crux of the matter is to note that these groups differ in:

- i) amount and type of political power, social prestige and economic resources which they can marshal to buttress their aspirations concerning the content of the regional plan;
- ii) their interests in relation to the plan (big business is interested in profit and sometimes shows non-economic prestige behaviour, small landowners may be primarily interested in the defense of old rights, government may wish to protect tax values or to protect land for public use, or to promote economic development;
- iii) their internal organization (e.g. local government offices may show lack of coordination between different agencies; small farmers may not at all be organized);
- iv) to whom the group is responsible - central authorities, regional planning committees, a big firms reports, small enterprises reports, etc.

For regional planning the inclusion of these groups and interests in the process of plan formulation will have the following advantages:

- it provides the planner and all participants with more information about the interest to be represented in the plan;
- it may assist the planner in formulating more realistically goals, objectives, and targets;
- it may assist the planner in allocating means more realistically;
- it will make people aware that the regional plan is not being imposed by outsiders formulating a plan "at home, for us, and without us", and in that sense it may promote identification of the population with the plan;
- it may help mobilize resources available within the region in terms of finance, land, labour and commitments;
- as regards commitments it may facilitate progress in mutual trust and understanding to a point where several parties participating in regional plan formulation may be willing to commit themselves contractually to perform their tasks as envisaged in the plan;
- even without such contractual commitments, it may facilitate early adoption of the plan at the regional level;
- it will encourage continuous evaluation of the plan its implementation by all concerned insofar as this implies an element of continuing mutual control or general supervision by all those who participated in the formulation of the plan.

In all the above listed respects it can be said that an effective inclusion of those groups makes the process perhaps more rational, certainly more comprehensive, and definitely more democratic. Research on the sociological aspects of plan formulation for regional development should therefore focus on the elements mentioned in the preceding paragraphs.

It seems useful for research on popular participation in plan formulation to distinguish between participation in the sense of expressing an opinion without taking responsibility for

its implementation; and participation in the sense of accepting a responsibility for its implementation in terms of finances, labour, or moral commitment. This distinction permits us to see more clearly the difference in maximum participation which each group can possibly enjoy. On the other hand, even when participation means only an exchange of views and opinions, research on such participation in plan formulation should establish how it can be made real and effective, as distinct from a ceremonial "pseudo-participation" on ineffective committees or boards whose decisions will be ignored mislaid or otherwise made ineffective. (22)

As regards the organizational structure for wider popular participation in the process of plan formulation at the regional level research should focus on solutions which can be tried, within the region of their jurisdiction, by existing regional planning offices and agencies such as:

- i) an ad hoc advisory council, with, for instance, some members appointed and others elected, directly or indirectly. The council's elected members could be chosen from among the general public or from special interest groups as listed above;
- ii) a permanent advisory council;
- iii) public hearings on draft regional plans prepared by the regional planning office;
- iv) people's spokesman assigned and paid by the regional planning committee to take initiative in exploring the demands of all groups in the region in order to transmit them to the regional planners for their consideration. This official would be open to public suggestions as to the content of regional programmes. He would be in close contact with all groups mentioned before. An essential characteristic of his function would be that he would be free to take the initiative in making or transmitting suggestions to the President of regional planning committees.

Impartial research on these issues should not fail to identify the obstacles against any of those solutions, such as: the sparseness of population and the topographical barriers limiting contacts between rural populations and urban centres; the feeling of superiority prevailing among urban residents towards

the rural population; the direct intervention of business management in public affairs while isolating the resident workers from such public affairs, and the suspicion among large segments of the rural population that any official activity is a subterfuge for some new exploitation.

The practical question for applied sociological research is, therefore, whether any of the suggested institutional solutions can bring about wider population participation in regional plan formulation, or whether perhaps a more gradual preparation of the ground would be called for, and whether perhaps this preparation might consist of: a) accepting any of the four suggested forms just mentioned, but step by step, for example as regards: the issues to be discussed or the stages of plan formulation at which wider consultations are held; as regards the groups being consulted; as regards the degree of consultation of these groups, etc., or b) finding other institutional solutions for wider participation of the groups listed before.(23)

Whatever solution will be adopted, further sociological exploration is needed also of the role which the state through its civil servants will have to play in two respects:

- a) in providing the general framework and guidelines for the formulation of the content of regional plans,(24) and
- b) in promoting wider popular participation in the regional planning process through information, education and organization of all partners involved in the process of development.

2. THE NEED FOR A NEW ENVIRONMENTAL FRAMEWORK

2.1. DECISION-MAKING AND INSTITUTIONAL FRAMEWORK

2.1.1. THE RESISTANCE TO CHANGE AND THE BALANCES OF DECISION-MAKING IN PORTUGUESE REGIONAL SOCIETY

When the accomplishments of the regional reform are assessed today after five years of implementation, one cannot but be struck by the gap between initial intentions and the results actually achieved.

- i) The regional level as defined in the decrees and plans has not really taken shape. A quite distinct disillusionment has become apparent with the passage of time: the most convinced protagonists of regionalization have lost their enthusiasm, while the scepticism of those who were already sceptical has been strengthened. Finally, the region failed to materialize because of the existent dualism constituted by the parallel occurrence of administrative authorities and planning authorities.
- ii) The information prepared and provided by the regions, far from giving the local and regional entities a greater capacity for initiative, has increased the central authorities power to control their actions.
- iii) Finally, the role of the Regional Planning Commissions has been very ambiguous and often reduced.

This failure can be explained by, in the first place, the inadequacies of the regional institutions themselves; the 1969 regional structures were characterized by a ^atriple disequilibrium which formed an obstacle to their functioning and at the same time prevented them from serving as the basis for an effective new set-up.

- a) The insufficiency of the consultative structure (i) which is constituted and working only with five or six "representatives"! For the greater majority of the local and regional entities the Regional Planning Commission was technically and politically too weak vis-à-vis the importance and the responsibility of the regional development actions.

On the other hand, the greater part of the members of the Working Parties (technical bodies) being civil official servants at the same time (and so dependent on the central level) are not free to express their own ideas about the development of the region, especially when their ideas are different of those of the central ministries.

- b) There is an ambiguity and a lack of balance between the administrative authorities (in a local and a regional level) and the Regional Planning Commissions.

Especially the confusion between the competences of the President of the Regional Commission and the "Civil Governors" created a second type of disequilibrium that was fatal for the good functioning of the institutions. Thus, the representatives of the peripheral districts continually think to protect themselves against unfavourable decisions by the President of Regional Commission, by-passing, through the respective Civil Governor, the regional level if necessary and pleading their cases direct with Lisbon, with the quite logical result of weakening the power of the regional planning authorities.

- c) Thirdly the present institutions also suffered from another form of disequilibrium in the very definition of the region's function. This was viewed purely as a stage in the distribution of resources to lower-level bodies, without any actual responsibility, particularly financial, in the efforts towards development.

The local representatives, accordingly, saw the region not as a new territorial unit capable of

giving rise to a new sense of belonging, but rather as a lever for exerting pressure on Lisbon in the struggle to obtain as much as possible in the way of state credits and other scarce resources. This lever is either employed or not, depending on each individual's assessment of whether his contacts and influence in Lisbon were sufficient to enable him to negotiate from a strength position while by-passing the regional level.

However, these circumstantial factors do not explain everything. A study of the regional co-ordination mechanisms reveals that the failure is also to a considerable degree due to balances of decision-making which the reformers were either unable or unwilling to modify:

these balances of decision-making represent both the strength and the weakness of Portuguese local and regional societies in that, as products of the centralization of the state, have the effect of reinforcing continuously the centralization.

The failure of the 1969 regional reform derives from the fact that it made no attempt to break this vicious circle of centralization; on the contrary the reform was entirely directed and absorbed by the decision-making system already existing. At least, two lessons can be drawn from this. The first is that an institutional change at the top does not necessarily bring about a social change at the bottom. The second is that as long as the existing local and regional balances of decision-making are left as they are, the decentralization which is being clamoured with an increasing insistence by wide sections of public opinion, is all too likely to become just an empty catchphrase.

We should like to consider this second aspect more closely.

2.1.2. DECISION-MAKING SYSTEM, SOCIAL FUNCTIONS AND MEANS OF ACTION OF THE STATE

By copying the French pattern, Portugal adopted an excessively centralized administration. The whole of the administrative machinery is centred on the capital. Central authorities in Lisbon are required to take all decisions, even those of minor importance. The result is that any initiative coming from below is discouraged, a brake is put on outside activities, and outside officials are prevented from developing a sense of responsibility and the skill and taste for taking risks. From the top to the bottom, the hierarchy is thus permeated by an atmosphere of inertia, and the public authorities are used to waiting for the high authority to take the action.

Any study of decision-making in Portuguese regional planning should be based on the relations between the state apparatus (i.e. the government) and the local-regional authorities. But a limitation of the analysis only to this particular aspect of planning would not suffice to understand completely the actual nature - and characteristics - of the Portuguese regional planning process.

In fact, above and beyond the legal rules laying down the formal channels for decisions for the case there might occur ideological disputes dividing the persons concerned, these relations are governed by a certain number of social rules which are in general very badly discerned and even less studied. As a matter of fact they have become so ^{much} taken for granted and are so deeply buried in the collective subconscious that they escape all lucid analysis and are accordingly never subjected to reappraisal.

Thus, the role of the central state became progressively defined on the basis of three guiding principles which still feature very largely in government action today,

- i) Unifying through central co-ordination as many as possible social activities throughout the country. Each time any particular initiative has been undertaken locally, the state has always either fitted it into the existing regulations or established fresh regulations designed to channel all such initiatives into a common mould. Unity and universality of the regulations are the objects sought.

- ii) Arbitrating between the involved in order to convince or constrain them to stand down in view of the general interest as represented by the state. There are few disputes in Portugal which are not finally brought before the state for arbitration. The majority of the interests concerned seek less to negotiate directly between themselves than to influence the state authorities in order to obtain decisions in their favour: as a general rule, local-regional society only discusses matters through an intermediary invested of power.
- iii) Orienting the action of local regional society by having central common sense and reason prevail. Everything is done as if, left to itself and its own institutions, local-regional society would be incapable of logical decisions or finding rational solutions to its own problems. This explains the extraordinary degree of "school-masterishness" sincere or calculated, on the part of the Portuguese government towards local authorities.

This historical concept of the role of the state has had a profound effect on Portuguese decision-making structures - - resulting in particular in the special hold which the central government exercises over regional societies. Four aspects of this situation warrant closer attention:

- the power of "a-priori" control over all initiatives by supervisory authorities. "A-priori" supervision has the advantage of ensuring the conformity and unity of all action undertaken throughout the country, but also results in the dilution of responsibility and the blocking of any innovation based on initiative and the positive or negative sanction of successes or failures.
- the second aspect is the monopoly of technical and economic expertise which gives the government the privilege of rationality in the local field. Thus, in addition to the legal supervision stricto sensu there is a de facto supervision which weighs just as heavily. The clearest example of this is to be found in the part played in local matters by state authorities such as agriculture boards (credit, peasant's unions, cooperatives, etc.), which are at one and the same time tutor, counsellor, payer and clients of those whom they deal with.

- The power of arbitration between public bodies and social groups. This is at the very foundation of the civil governor system, the role of which is decisive for maintaining the social consensus in the districts. The civil governor is established as the man capable of winnowing the good grain of the general interest from the tares of private interests. He is the one who is required to make a certain conception of equity apply and it is to him one turns when one considers oneself wronged. The civil governor is the guarantor of equity.
aspect is
- The fourth /a general tendency towards institutional rigidity both in terms of structures and in terms of formalization of rules which hampers the evolution both of the institutional forms and of the public mentality and attitudes.

Thus exaggerated centralization, although tempered by the latest reforms, contributing to maintain local inertia and to discourage local initiative, also contributes to the drift of population to the large urban areas, depriving the extensive underprivileged areas of the necessary manpower to make real self-government work. The result is a vicious circle; centralization takes place under the illusion that it will lead to better government and administration, but at the same time it creates a real abyss between political influence (and administrative decisions) and the country as a whole. This constant, long-standing impoverishment of the districts does practically nothing towards enriching the centre; while it seriously slows down any attempt at decentralization.

While most responsibilities for economic and social development were wielded by the administrative authorities of the country, the results of these sometimes fall short of initial expectations. This failure, large or small, is the result of not having a proper grasp of, or not paying sufficient attention to, the social factors determining administrative management in the matter of development. A large proportion of administrative failure is accounted for as follows:

- 1) In a praiseworthy attempt to bring administrators and administered closer together, there is a de-concentration of the administrative districts responsible for development drives, but not any real decentralization, because the people concerned are not given:

- significant representation
- responsibilities adequate to meet the essential economic and social development problems facing them.
- powers of decision.

In other words, the people affected by the implementation of a development programme are not in a situation of responsibility, and there is no institutional basis on which they can participate. They do not feel that they are directly concerned by a development drive which, albeit instigated in their interests, does not necessarily match their aspirations and is thus liable to fail particularly to enlist their support.

The desired decentralization must, of course, be limited by leaving supervisory powers (necessary, but not too sternly wielded) in the hands of the central authority of its local representatives.

- ii) Administrative decisions concerning development are taken, admittedly after studying the economic or technical issues, but without adequate knowledge of the social environment which will be affected by them and without really adequate appraisal of the realism of the expected consequences.
- iii) The way administrative departments are usually run does not meet the requirements of social and economic development. Working methods in administration are frequently sluggish, having to make allowance for a variety of political initiatives, and do not permit decisions to be taken with the speed required for an economic development scheme; this particularly is the case when it is remembered that success, in development matters, is directly geared to speed of action.
- iiii) The concepts and functions of a great many administrative departments are still firmly rooted in tradition, with an exaggerated emphasis given to the purely formal aspects, of administration practices and frequently do not match the needs of economic and social development with which they are asked to cope. For instance, social services, which should participate in putting through economic development

programmes, continue to define or see their role in excessively conventional terms, failing to shoulder the basic responsibilities which ought to be their's when it comes to keeping public opinion informed, fundamental education, and the organization of participation in proposed social and economic development schemes.

2.1.3. THE ACTION OF LOCAL LEADERSHIP VIS-A-VIS THE STATE

This structure of the Portuguese decision-making apparatus has had the effect of determining the system adopted by the local administrations, who have endeavoured to adapt themselves to it as "rationally" as possible. They are, in fact, obliged to make this adaptation if they hope to achieve any results worth mentioning, bearing in mind the weight of the state apparatus. They are in fact only able to attain a certain degree of effectiveness by learning how to manipulate the government. This is one of the key factors in the system adopted by the local elected officials, which is based on a collection of highly individual "rules of play".

Since the translation of local wishes into the language of professionals is impossible owing to the monopoly of expertise held by the state, the most rewarding strategy for local authorities is to claim the maximum possible and exercise political pressure. A very simple example will serve to explain this. When in 1971 the regions were required to discuss their future development, the working parties and the regional planning commissions began a form of subtle competition. Thus, discussion of the future of the region developed into a play of pressure and counter-pressure between the regional commission, concerned to achieve the highest degree of rationality and the local authorities who were chiefly anxious not to let themselves be caught unprepared by a new approach applied by the government and seeking rather to turn this approach to their own advantage.

What from the government's point of view amounts to entirely irrational behaviour is in fact perfectly rational to the local councillor: after all, when he knows that the decision has to pass through echelon upon echelon, it would appear obvious to the man at the bottom that he must demand the maximum in order

to be sure of obtaining at least the minimum, leaving others to establish some form of coherence which he does not view as his responsibility.

While applying maximum pressure on the central authorities, the local leadership must also be able to influence the local authorities so that they will be flexible in the application of the formal, universal and abstract rules and regulations which cannot, of course, cover all individual cases. This can only be done, fundamentally in two ways:

- either
- a) through a substantial exertion of power during the bargaining process with the central authorities, or
 - b) when this power - as it is actually the case - does not exist to an appreciable degree to be used, by exploiting (or creating) a relation of deep complicity between the local authorities and the various territorial echelons of the state authorities. Relations of this latter type are just what do exist in the greater majority of cases since it is only by accepting and creating this complicity that the local representative can hope to attain a certain success in persuading the local authorities to apply the law in such a way that he is able to achieve the ends he has set himself.

This point rises the sociological question of how this complicity is possible, i.e. on what basis it can be established and what counterpart (service) must be furnished by the man who seeks to establish complicity for the favour (service) he is looking for in the civil servants concerned. This presupposes that an exchange relation between the two parties comes into existence.

The actual rules of play in this matter are, of course, both more complex and more subtle than those we have just described. However, our aim here is not so much to analyse them as to place our finger on this essential reality:

In the last analysis, capacity for action and hence power at the local level depend to a large extent on the degree of access to the state apparatus.

No formula sums up this situation better than the ominous saying of a local representative:

"I am going to Lisbon to get something and I am going to the President of the Regional Commission to hang on to it."

On the part of the local administrators, there is no reason for them to reduce the pressure they apply on the central authorities or the nature of this pressure, since it is for them the only guarantee of maintaining their position vis-à-vis their constituencies. Because they know the working of the system inside out, they become increasingly irreplaceable and thus help to maintain their power.

All in all, the vicious circle is surprisingly protective for both sides, since it greatly reduces the risk for each of them. That is doubtless the reason of its remarkable stability, since the difficulties which arise with the introduction of any change represent a threat to its equilibrium.

It would be illusory to hope that the efficiency in local government will be spontaneously generated, especially since all these problems are known to be connected with certain unfavourable characteristics of the power structure and the decision-making processes. In neglected or stagnating regions, as well as in those where some economic growth has already occurred, the dominant groups - landowners, businessmen, local political bosses and central government officials - have become adapted to the situation and derive from it ^{higher comparative} advantages which might disappear if real development were to bring with it some redistribution of power and income and an expansion and diversification of the opportunities for social mobility. In most cases, these are the only groups which have effective links with the national centres of economic and social power and are also the only one capable of exchanging benefits with these centres. They have an exclusive ability to monopolize any development assistance originating in the centres and also to prevent the application of national policy of encouraging the decentralization of power.

The reference to these problems does not mean that the local regional power situation in Portugal is irreversible or that nothing can be done at present. The local-regional power structure is changing, just as the national power structure is changing and new forces are emerging. However, in view of the nature of the problem, the need for a wider and organized participation must be emphasized, despite the many complications which this involves from the standpoint of certain technocratic models for Portuguese national and regional development planning.

2.1.4. THE INCIDENCE OF THE POLITICAL FACTOR

Closely linked with the "social approach" is the question of the role of the political factor in Portuguese regional development. There is no doubt that the specific weight of the political factor differs in various countries, but its influence cannot be overlooked anywhere, whether it is considered as facilitating or hindering the inauguration of regional development policy, as it is the Portuguese case. Its role is particularly important in the context of interregional relations, where economic and political domination come up against each other.

The importance of the political factor is directly dependent on the scope of state intervention. Where state intervention covers only a small part of the broad area of a liberal economy and shows a high degree of centralization, the incidence of the political factor is, of course, affected. In Portugal, a great number of ministers have come from less developed regions, namely from the north-eastern region (one of the poorest regions of the country), but have not been able to help their regions overcome their backwardness.

However, if social intervention is extensive, the political factor gains in importance. In this context inter-regional arbitration, the unequal prestige and authority of political leaders, hierarchical relations in the centres of political power, all have a marked influence on regional and urban development. The informal relations are something else altogether, and because of them the process of decision-making is often outside public control. Under such conditions, coalitions are possible between regions either with a view to, or as a defence against domination.⁽²⁵⁾ The ideology of domination is not difficult to recognize but in spite of that its impact on the allocation of resources, the terms of trade and the entire complex of inter-regional relationships is very real.

If these considerations are valid, the institutional infrastructure needed for regional development to function should be designed to take account of both the technical-economical-organizational and the political factors which were analysed. First of all reforms should be introduced in the administrative machinery to allow for a reasonable degree of delegation of authority to regional level. This is necessary not only in the public but also in the private sector. There is a very marked tendency to see only the centralism of government and to overlook or justify the

harmful impact of administrative centralism in the private sector. The truth is, however, that the latter is just as harmful as or even more harmful than the former, particularly in Portugal where economic activity is mainly in private hands. It is well known that large enterprises always have their administrative headquarters in the capital, even when their production plants are situated away from it. The regional policy reforms should include a new approach and a functional set of laws and regulations designed to facilitate effective administrative decentralization.

For such decentralization to work, however, efficient promotional and administrative machinery must also be available at the regional level. In other words, any vacuum left by the State and by the national and international administration of private enterprises should be filled by regional bodies capable of taking planning and operational initiatives. With this end in view, it would appear logical to consider that an autonomous regional agency or some similar type of body might play at the local level the role hitherto played by the central government and a new conception of the management of regional branches of private enterprises might constitute an alternative to the required institutional infrastructure.

Another decisive aspect is an adequate supply of human resources. As was pointed out earlier it is impossible, without such resources, to generate the social dynamism required for the development of a region. In the initial stages and until the local collectivity develops to the point where it can provide human resources capable of assuming authority, it will be necessary also to decentralize the labour market. For such decentralization to achieve the desired result, it should not be viewed in isolation. It should form part of a whole complex of changes in the values, attitudes and motivations in the education and vocational training of the new generations. These innovations at the local level will lead to substantial changes in the power structure and in the whole traditional system of public and private administration. Otherwise, all these regional bodies - as happens still in Portugal in most cases - will function merely as the representative of the traditional administrative and political centralism.

The regional functional capacity which is needed for development also presents various social aspects and problems. For example, the task of accelerating development, as has frequently been pointed out, appears to be an undertaking which brings with it a fair degree of self-generation of resources and energy and self-management. Where these are not present, the process is

subject to some of the deformations previously analysed. According to this theory it is a question not merely of an effort, but also - and perhaps mainly - of a challenge to the whole regional collectivity, to its symbols and values, to its most dynamic individuals and groups and to all those many factors constituting what might be called regional feeling. This therefore calls for a local responsibility which must be created and maintained as an important requirement of regional development. Another decisive and related factor is the functional capacity of the region to set in motion appropriate processes.

The policies and objectives so far proposed all assume the existence of a potential capacity for initiative at the local and regional level and should therefore be aimed at overcoming a set of social, political and administrative difficulties. To overcome the social difficulties there must be adequate human resources to understand the challenge and meet it successfully. This means having the dynamic individuals and groups - leaders, entrepreneurs, administrators, etc. - needed to form the basis of the new social dynamics.

The second category of difficulties - political and administrative - may prove even greater. Regional and local governmental institutions and those operating the social services, whether they are administratively dependent on the central government or locally elected bodies, generally do not function effectively in Portugal. Their weakness may be partly attributable to administrative concepts which do not correspond to local, social and economic realities, to out-of-date legislation which prevents any initiative by local officials, or to bureaucratic centralization; to lack of co-ordination between the national bodies responsible for most economic and social activities at the local level and to failure to provide the regional and local authorities with technical assistance in the field of planning and administration.

These deficiencies are not insuperable, and the Portuguese government is making some effort to overcome them. However, they appear to be deeply rooted in the traditional social, political and economic structures of the country. Several formulas for the distribution of responsibilities have been tried out and changed repeatedly throughout the traditional struggle between center and periphery, without any strengthening of local-regional government or its capacity of initiative. Municipalities have survived as the basic unit of local government, but instead of gaining experience and vitality, they have tended to lose their functions

because of their inability to exercise them. Even now, when these bodies possess considerable resources and the discretion to use them, the results have not been encouraging. In many cases these resources ^{have} been employed to benefit small groups in the urban centres, overlooking the interests of the rural population, and in other cases they have been wasted on costly construction work and monuments.

2.1.5. THE PORTUGUESE INSTITUTIONAL IMPASSE

By this time the reader may have inferred that one of the principal obstacles to meaningful regional planning in Portugal has been the nature of its traditional system of administration. The structure of this system is essentially vertical and hierarchic, each ministry has its central administration in Lisbon and exterior services in the districts. Until now, organic links among the exterior services of the various ministries had been practically nonexistent at the local level.

It has become increasingly evident that greater decentralization and a higher degree of horizontal coordination at the regional and local levels are essential prerequisites for local initiative and more rational planning. It seems to me that the reforms to be taken must be framed by a triple preoccupation: i) to render the regional apparatus more capable of making choices as to the order of priority and the localization of investments; ii) to make the planning process more operational; iii) to deconcentrate the administration more, and thus prepare the way for a closer association of local and regional forces in decision-making.

In fact, until now, the efficacy of Portuguese regional planning was also sharply limited because the responsibility for executing regional policy is badly defined. Although the Cen-

tral Planning Agency has a bureau devoted to regional development problems, the bureau cannot coordinate the efforts of the various ministries and services of the government, whereas the need for such coordination is becoming increasingly apparent. Reforms as the creation of the planning cabinets in each ministry were also far from answering the need for more comprehensive and integrated formulation and execution of regional policy. In response to these deficiencies it appears urgent that the government assures a unified conception of planning, and to reinforce the means for implementing regional policy objectives. The government must assure, since the conception, greater coherence regarding the perspectives for the future. To deal with this issues one can suggest the creation of a new organism responsible for regional action. To avoid possible conflicts should be provided that the creation of this organism would not greatly modify the structure of government or constitute in any strict sense a new administration. Rather, the new organism should be confided the tasks of coordination and impulsion. Its role should be defined to include: i) operating on the basis of the general directives established in the national plan; ii) preparing and coordinating the elements necessary for government decisions concerning "ordenamento do território" and regional planning; iii) ascertaining that technical administrations adjust their respective activities in these domains; and iv) fostering the convergence of actions toward regional policy objectives on the part of these administrations when the objectives involved surpass the competence of any one of them. The last task, since it involves problems at the interministerial level, would be carried out with the possibility of recourse to the arbitrage and authority of the Prime Minister.

The head of this possible new organism should be attached directly to the Prime Minister, which should give him direct access to the Interministerial Committee for Economic Affairs. Moreover, this Delegate should be expected to prepare the regional deliberations of the Interministerial Committee is then given the function of synthesis, arbitrage, and impulsion, though supervision of the application of its decisions is a function of the Delegate too. This new organism together with Central Planning Agency and Regional Planning Committees should be responsible for preparing the regional programmes of the National Plan and reporting on their execution.

Indeed, the present scope of planning activities in Portugal deserves attention, not only because of the substance of the plans and the techniques applied in their elaboration, but al

so because of the institutional machinery involved. The difficulties encountered in certain plans, especially during the stage of execution, have been attributed to several factors among which not the least has been the weakness of the public administration.

Thus, now, the objective of my modest contribution is to call attention to some environmental factors which condition any administrative and planning activity and to the interdependency of many decision-making centres, which compels the interested parties to co-ordinate their efforts in order to reach concerted action. The ideas expressed in this approach derive either from a careful study of modern literature on the subject ^{or} from the personal experience of the author as a planner.

2.2. ECOLOGY OF THE PLAN

The planning machinery cannot be discussed and improved without taking into account its ecology, that is, the environment in which it works. This environment consists of individuals, organizations, social groups, regulatory bodies of several kinds, and possibly of situations which jointly or separately may have some impact upon the behaviour of the planning institutions.

Furthermore, even if it does not have a visible impact upon the planning process, we should still be interested in the planning environment because upon studying it we can better understand the behaviour of the planners, its causes and motives.

Schematically, the relation between the environment and the planning organizations could be classified as benign, neutral or hostile. The relation will be benign when the subsystems involved have common objectives (totally or partially) and when there are no conflicting interests in the means which lead to those objectives. The relation will be neutral when there are no common objectives and no conflict of interests between the subsystems in their operations. The relations will be hostile when one of the factors mentioned before, or both (objectives and means) conflict with those of the other part.

In the case of Portuguese regional planning, there will be increased possibilities of conflict and hostile relations with other organizations for the following reasons:

- i) Regional planning is a relatively new activity and, as such, provokes reticence and suspicion on the part of other organizations;
- ii) By its nature, planning tends towards changes and innovations and, as may be expected, is incompatible with the traditional and conservative tendencies of the administration;
- iii) Regional planning organizations must intervene in the business of other organizations to obtain information, co-ordinate programmes and, many times, to supervise the execution of projects. Such intervention provokes hostility.

On the other hand, the planners could find "associates", that is, benign collaborators or, at least, neutral ones, among all the elements who are ^{not} satisfied with the present situation and who, consequently, welcome any innovation or reform.

Moreover, planning does not arise from the will of one person but from a situation in which many people, and at least some institutions realized the necessity of conducting the economy of the country in a more decentralized way, in order to achieve a balanced growth and improve living standards. Those interested in regional development and those who initiated such activities, will be the best collaborators of the organizations in charge of it.

We go now from generalities into a more detailed analysis of the environment of planning, taking the most important factors one by one.

2.2.1. POLITICAL ORGANIZATIONS

As is well known, a complete separation between politics and public administration exists only in books. If this is true of any administrative organization, it is even more evident in the case of planning, which has many political implications not only in its philosophy but also in its practical development.

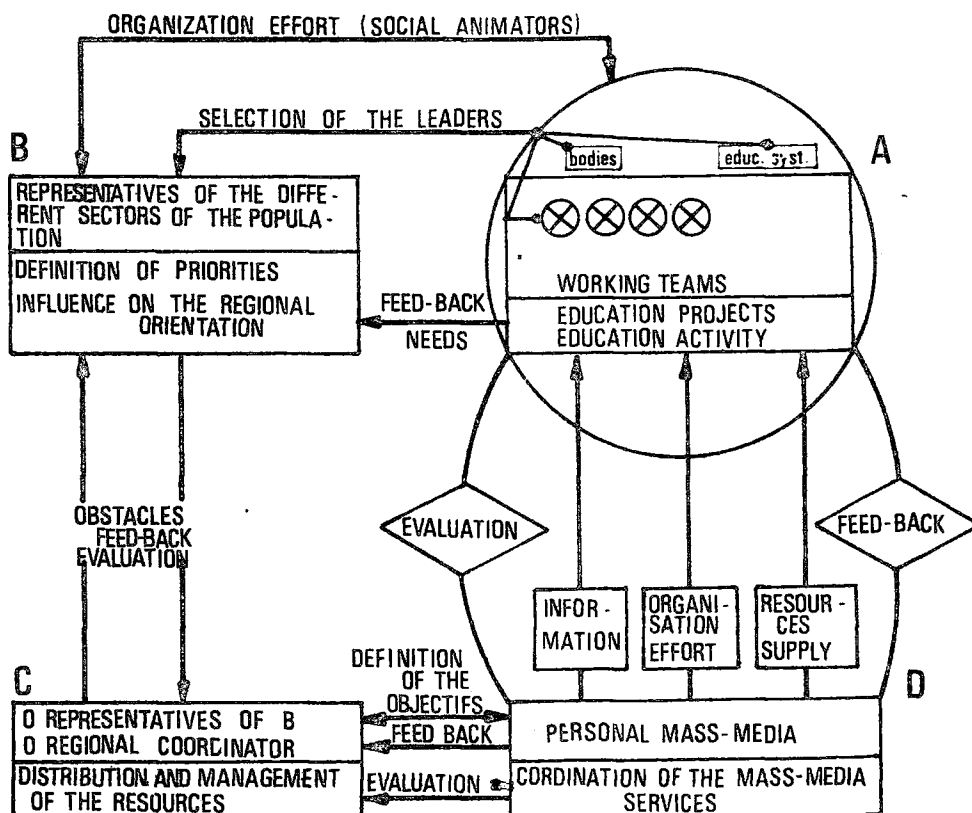
First of all, the Portuguese planning apparatus is under a superior directive board of a political nature which is called Inter-Ministerial Planning Committee. Furthermore, many close

direct and indirect relations exist between the Central Planning Office and the Ministers, the Cabinet, the Prime Minister and Congress.

Where, then, would be the dividing line between the political and technical or administrative aspects of planning activities? Theoretically, the answer is simple: the political organizations are those which decide the broad objectives, determine the resources and fix priorities. The administrative organizations, on the other hand, limits themselves to the execution of plans established by the political organizations. In fact, the situation is much more complex. There exists, or at least should exist, a relationship of mutual influence between the two types of organizations concerned with planning: political and administrative. The administrators should provide the politicians with facts and other criteria on which to base their decisions. They generally do this by presenting alternatives with the respective pros and cons, leaving the politicians to take the final decision, as politically appropriate. The politicians, for their part, must supervise the implementation of the plan, in accordance with the spirit and letter of the political decisions.

Such mutual influence can be healthy and does not per se endanger the harmony between the organizations. Conflict arises whenever one or both of the parties involved wish to go beyond the legitimate limits of their powers and assume functions which are legally assigned to the other party. This occurs when the political organization wishes to administer the plan or when the planning apparatus attempts to introduce political ideas in its plans. Sometimes this behaviour arises from good faith, that is, from the conscience of the organization which intervenes in the business of the other, believing that its intervention is necessary to ensure the attainment of the objectives. Nevertheless, it frequently happens that one of the organizations departs from its original objectives and its "interventionism" aims not at the common interest, but at the benefit of its members or of some pressure groups represented therein. On the other hand, institutional opposition and resistance to external attempts at influencing one organization's domain of action may also arise from a too strictly formalistic-bureaucratic conception of the division of tasks and functions, as well as of the legitimacy-basis thereof. One meets then with a phenomenon of widespread "domain" - or "territorium" - protection by the different internal subdivisions of the public bureaucracy.

A DYNAMIC MODEL FOR THE FUNCTIONING OF THE SOCIAL ENVIRONMENTAL FORCES



On the basis of this model which identifies the different factors and the main relationships among them, it is possible to imagine different frameworks and types of organisms among which the responsibilities could be distributed.

In the case of a political organization, the influence may stem from a political body, from economic groups or from local or institutional interests. In this case, the administrative organization, acting in good faith and trying to protect the common interest, may depart from its prerogatives and do everything possible to sabotage or nullify the action of the politicians. Sometimes, the political organizations, owing to fluctuations in their own activities, tend to change the objectives or priorities established in the plan and the negative reaction of the administrative organization may be due to its wish to maintain the stability and integrity of the plan. The intervention of politics in the planning field, and vice versa, is frequent in Portugal because the differences between the "powers" have not yet crystallized in them and especially because its integration or coordination is much more based on the hierarchization (coordination through subordination of the sub-systems) than on the regulation (coordination through contracts, conventions, agreements, etc.). (26)

2.2.2. THE REGIONAL LEVEL ON THE PORTUGUESE TRANSITIONAL SOCIETY

In the traditional Portuguese society the main principle of organization was geographical and, therefore, the local community and correspondent municipality has fulfilled an important role. In the modern or transitional society, according to the same line of thinking, the geographical principle is more and more replaced by the functional one. This means that persons and institutions are finding a common denominator because they perform similar functions belonging to the same sector or profession, and not because they belong to the same local community. Therefore, the society of communities is replaced by the society of associations.

In the traditional society of the past, small scale solutions were, in most cases, sufficient to solve the basic problems. This no longer holds true in contemporary modern society which, in all types of activity, uses an increasing amount of large-scale solutions. This means that a decreasing number of problems can be solved within the limits of a local community and municipality. Therefore, these disadvantages of scale are the main obstacles in the activities of a municipality. The disadvantages of scale are expressed not only in the deficiency of human and material resources - and especially in highly qualified personnel -

but also in the physical limitations of the local community operating in a relatively small area where almost no solutions can be applied independently from the regional and national scales.

Over the past fifty years, it could be clearly observed that in a growing number of countries the role of the traditional local government was shrinking. In the early period of this process, it was sometimes accepted that the shrinking influence of traditional local government meant a shrinking influence and perhaps elimination of the local government in general. However, in the last ten to twenty years in many countries, a movement to promote a renaissance of local government was started. I suppose it is correct to describe the present time as a period of transition from traditional to modern local government. The transition is far advanced in some countries and has not even started in others. However, I am convinced that it is only a matter of time before traditional local government will be replaced in most countries around the globe by a way of governing more and more based on purposeful forecast and planning.

The renaissance of local government is supported by two trends namely: a) a general trend against levelling external influences as well as the increased awareness of local impotency, and b) the insight of the need to increase in a substantial and comprehensive way popular participation in the broad sphere of public affairs. It is widely accepted that modern local government could be the best framework to implement the ideology of popular participation.

In the discussions concerning new models of local government, very often the point of view is expressed that sometimes it is worth-while to diminish the short-run managerial efficiency in order to promote democratic values via popular participation.

A local phenomenon supporting the renaissance of local government is the discovery that the advantages of scale are sometimes replaced by disadvantages of scale. The large-scale solutions have also their limitations, and it is wrong to assume that a bigger unit is always more efficient than a smaller one.

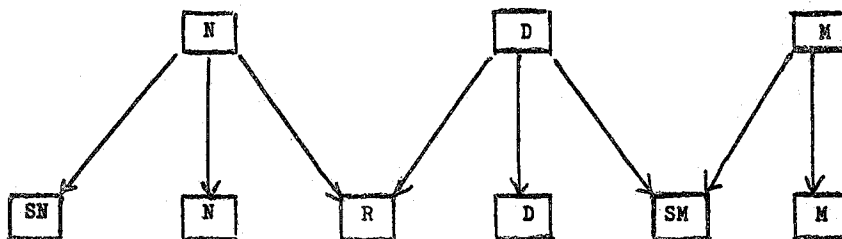
In this context, I would like to mention the view of T. Hermansen concerning the changes in power and influence within the system of geographically based governing institutions. (27)

"Very briefly, the old traditional system had a three-tier structure consisting of a large number of local authorities, and a number of provinces between them and the central gover

nment. What appears to happen nowadays is that this traditional structure is being gradually replaced by a new and more complex one, where we need to add supernational units on the top, regional units in between the central government and the provinces, and superlocal units in between the old local governments and the old provinces, what will happen seems to be that:

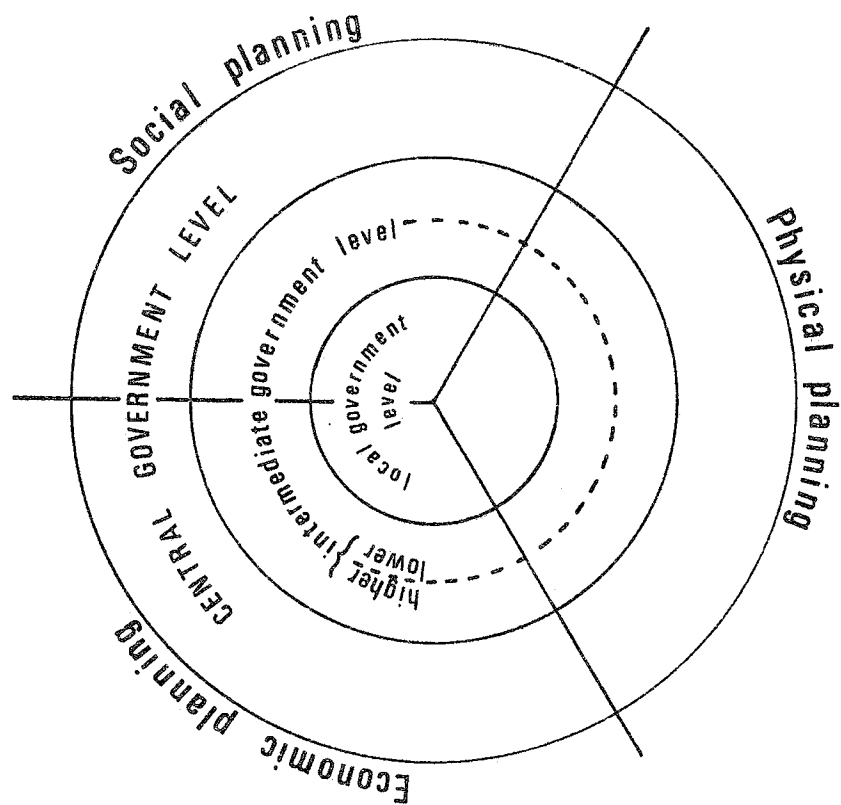
- i) Central governments lose influence, partly upwards to supernational organizations, and partly downwards to the newly merging regional bodies.
- ii) The regional governments will gradually take over functions from the old relatively small provinces, and the decentralized function from the central governments, thus giving the regional authorities a key role to play in our future administrative system.
- iii) The old provinces will lose influence to the regional bodies, or in some cases be replaced by these, but they will also, adapting to the trend of decentralization, lose influence to the new system superlocal authorities.
- iv) Then, the new superlocal units, the term is chosen to indicate that they will cover areas larger than traditional communities, are also apt to play a key role gaining from below as well as from above".

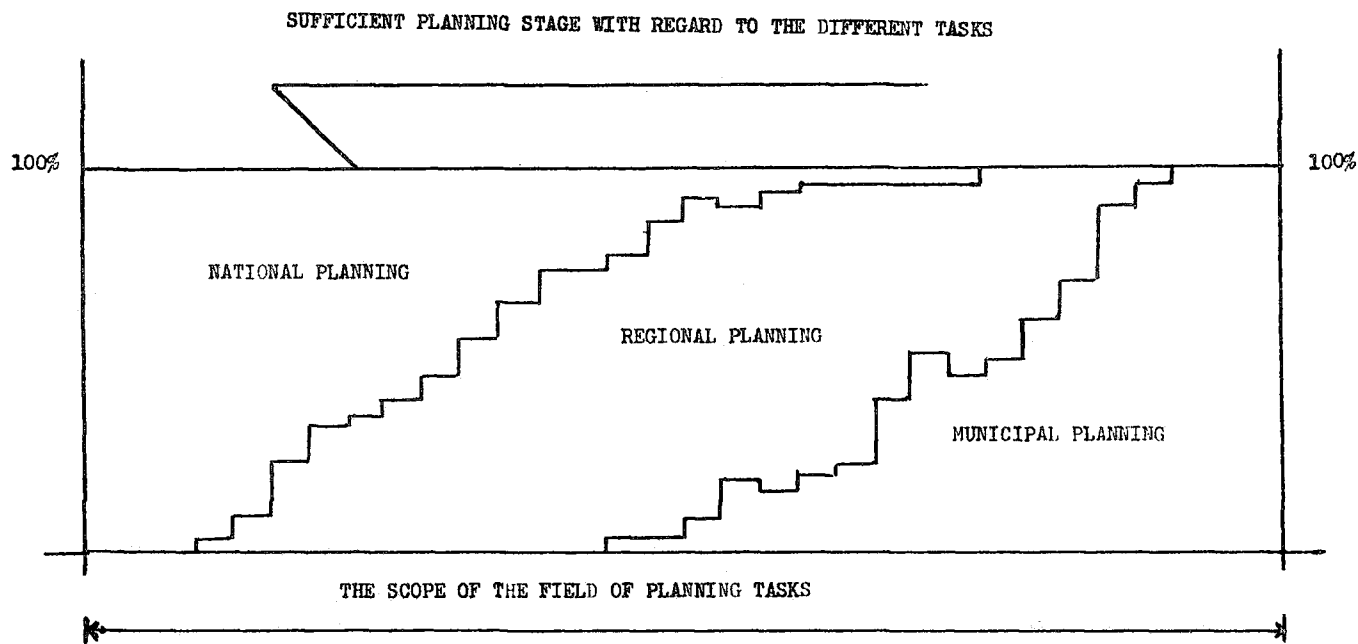
The gradual emergence of a new structure and different levels in the Portuguese regional planning can, according to the foregoing ideas, be outlined as follows:



N - NATIONAL	Structure or level
SN - SUPERNATIONAL	"
R - REGIONAL	"
D - DISTRICT	"
M - MUNICIPAL	"
SM - SUPERMUNICIPAL	"

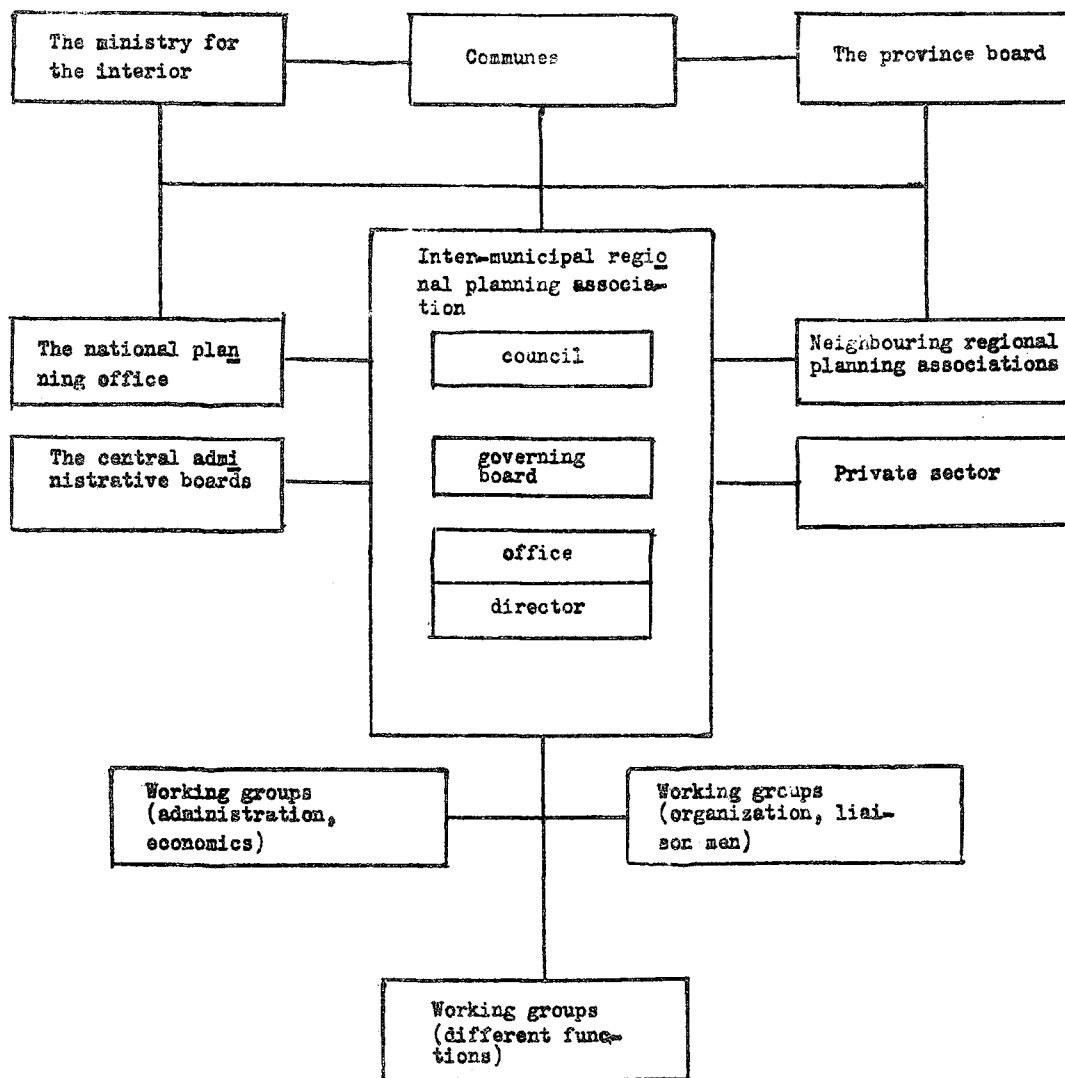
RELATIONSHIP BETWEEN GOVERNMENT AND PLANNING





WHAT IS THE SHARE OF REGIONAL
PLANNING IN PLANNING TASKS
BETWEEN NATIONAL PLANNING
AND MUNICIPAL PLANNING

A SOCIAL ENVIRONMENT PROJECT FOR AN HIPOTHETIC PORTUGUESE
INTER-MUNICIPAL REGIONAL PLANNING ASSOCIATION



In this way, our thesis is that the result of the decentralization forces and centralization forces which are at work presently, will be a new system in which the traditional type of districtal authorities and the old type of municipalities will play a minor role, and possibly be completely adapted. I think that one general conclusion is quite clear - the modern local and regional governments will emerge within a new system of geographically based government institutions.

2.2.3. SOCIO-ECONOMIC GROUPS

Regional planning is a form of government intervention for the organized attainment of certain socio-economic objectives. In countries, like Portugal, with a mixed economy, such intervention leads the public administration into very close contacts with non-official groups of an economic or social order in the country. This refers to organizations such as labour unions, industrial, commercial or agricultural federations, cultural or scientific associations, etc. Such groups can be considered at the same time as pressure groups which try to protect their interests vis-à-vis the government or other groups with conflicting interests.

Thus, the plan organization, whether political or administrative, must maintain relations with the socio-economic groups and take them into consideration in all stages of preparation and implementation of the plan.

It depends on the behaviour of the official planning organizations whether the afore-mentioned groups assume a benign, neutral or hostile position. Logically, it is in the interest of the government to diminish the hostile attitudes, or at least to neutralize them, if it cannot obtain a benign or favourable reaction to the plans. The most appropriate method of obtaining benign relations is to keep the private organizations well informed (communications) and negotiate common matters with them in order to reach decisions that, necessarily, would require mutual concessions and reciprocity.

At the basis of any agreement between the government and the socio-economic groups, are the following premises:

- i) the government proposes in its plan a balanced development for the entire national economy;

- ii) the strategy^{of} the national and regional economy must be adapted to the needs of each socio-economic group;
- iii) the difference between the general and the private interest could be based essentially on the difference between a long-term and a short-term policy.

3.4. THE PUBLIC

The public is not simply the sum of the groups which compose it, nor is it governed by the same rules of behaviour as any formal organization. Precisely, because it is not organized, the public does not submit itself to the principles of organization. The public acts by momentary impulses or by momentary reactions to historically-grown situations. In order to understand it, it would be necessary to apply mass psychology. Nevertheless, the public has its own interests (even if they fluctuate) and in its possible impact on decision-making centres it could be compared to a pressure group which might be very powerful, provided it is organized.

Portuguese government may call upon the public in special moments of the national life such as elections, economic crises or natural disasters. It is less common to call upon the public when economic plans or development programmes are contemplated. The latter are generally considered to belong to the domain of professional technicians and politicians.

Nevertheless, this environmental factor (the public) can be a decisive factor in the success of the plans, especially when these involve austerity policies which may imply some suffering on the part of the masses.

Public opinion may support a plan or it may force the government to abandon it or, at least, to modify it. On the other hand, the government may take measures to influence public opinion and mobilize it in favour of its plans. In any case, this factor cannot be ignored, either in the programming stage or during the execution of the plans. Even more so, planning procedures and planning structures can also be conceived as one particular way of mobilizing and organizing public opinion, provided certain minimal conditions are met.

2.2.5. OFFICIAL BUREAUCRACY

It is the official bureaucracy which is in charge of the preparation and, at least, a large part of the execution of development plans. In this way, when we talk about the environment within which the plan operates, we should not forget the Civil Service or the official bureaucracy in its organized form. The personnel who have to deal with the plan form part of the bureaucracy and, therefore, are influenced by the patterns and rules that govern the bureaucracy and their behaviour cannot be very different from the prevailing attitude in this group.

For example, it would be almost impossible, or at least very difficult, to maintain a group of planners motivated by purely technical criteria in a bureaucracy operating solely on the basis of political considerations. Likewise, it would be difficult to recruit personnel for such a group by a system of competence and merit, when in general the spoils system is still in force.

The status and reputation of the official bureaucracy will certainly have an influence on the reputation of the group of planners even though we may assume that an "élite" group of a quality above the general average has been recruited. This arises from the popular belief that no organization can differ to a great extent from the environment in which it grew up.

The same applies to the operating capacity of the planners, including in this category all those who have something to do with the preparation and execution of plans. Planners cannot operate in a vacuum, and their daily activities depend not only on their own efficiency but also on the working capacity of several related bureaucratic organizations.

Enlarging still further on the subject, we can speak about the way in which the spirit which prevails among planners depends on the general morale in the public service.

An easy conclusion deriving from the brief analysis that has been made in this chapter might be that any effort to create an "élite" of planners within the general mediocrity of bureaucracy would not be easy, and probably would not give the desired results. In the long run, and because of the interdependency between regional planning and many other official activities, complete civil service reform would be the best course to adopt.

2.2.6. SCIENTIFIC RESOURCES AND TECHNOLOGY

The significant advances of science, and of its pragmatic relative technology, impose upon the administration various problems which were unknown before.

In the first place, modern administration has to deal with a new type of professionals, in electronics, in cybernetics, in nuclear sciences, etc., for whom there is a very big and growing demand in the general market and in the public service as well. The professionals in older sciences, such as physics, sociology or psychology, have to make an effort to keep abreast of developments in their respective specialized fields.

These scientists, upon entering the public service, do not easily submit to the requisites of an administrative hierarchy. Educated in and used to the philosophy of freedom of the scientific spirit, they do not accept the authority of a general administrator and do not understand the restrictions which non-technical considerations (political or social) sometimes impose on their activities.

The introduction of modern technology into industry and into administration may result in serious unemployment problems or at least displacement of labour. Higher production can nowadays be obtained with a reduced number of workers and employees.

Thus, the problem arises of how to organize the work of scientists and experts. Their integration in the traditional administrative machinery does not always give satisfactory results because of the afore-mentioned and other reasons.

Portuguese governments is seeking a solution to this problem by means of contracts with universities or private scientific enterprises. In this way, such organizations, even unwillingly, enter into the orbit of government policy and its process of taking decisions.

However, the most serious problem is not the one mentioned above, but the impact of science and technology on the quality of the official decisions themselves, and on the values established by society. As science continues to make gigantic strides, public administration and planning must be so organized as to enable society to handle its problems with the tools of the present and the future, rather than with those of long ago.

2.3. THE PLANNING APPROACH

Planning is, *sui generis*, a human social activity which is designed to act on the environment for the purpose of changing it in such a way that tendencies toward coherence and cohesion are enhanced and tendencies toward disintegration and dissolution are kept under check. In other words, planning is a process which function is to reduce entropy and increase organization within the environment. In still other words, planning is a social and collective technique for defining social goals and implementing them.

Planning is also a particular technique of social engineering which can be applied in a multitude of social situations and settings - both at macro and micro-level. As such it does not belong to this technique to create or dictate new social goals and values, however, in this multitude of situations and settings there can be some very static ones, where the social and institutional structure is rigid, where social groups tend to be excessively passive and indifferent, and where, more in general, the overall social conditions are not promising for successfully coping with the needs of modernization of society. In such a situation an adaptation of social values and goals to the needs of modernization can only come from a direct confrontation of the interested social groups in face of the objective needs. And this confrontation as such can then be purposefully stimulated and channelled only through planning. Planning, namely regional development planning, acquires then a double characteristic or face: first it is a procedure of negotiation, in which the redefinition of goals and values sprouts from the very fact of the negotiation itself; and second it is a way of proposing alternative solutions both apt both to a) structure the negotiation around concrete issues, and to b) choose the final solution.

Intended in this way it can therefore be said, especially in the Portuguese case, that planning, in order to elicit or induce the creation of new values and goals as a result of the of purpose fully implemented negotiations, must pursue the attainment of a goal of its own: i.e. fostering whenever possible the enlarged social participation of the interested social categories and groups.

This will allow me to organize the following conclusions around a minimum number of statements about planning, environment, purpose and plan. Thus:

- . "Planning" can be defined in its greatest generality as a future-directed decision process.
 - The fundamental characteristics of this process are that it is conscious and rational.
 - It represents acting on some object, defined as environment. Such action is undertaken for the purpose of effecting changes in the environment.
 - Planning, therefore, can be said to include the following: (1) perception of the environment; (2) definition of the purpose of the changes one wishes to effect in the environment; (3) design of the acts whereby the environment will be altered.
- . "Environment" is a dynamic and complex system which spatial and temporal characteristics are important for planning.
 - Any given moment in this system represents a situation, namely, a particular conjuncture of events having a specific configuration as well as particular dynamics.
 - It is by affecting such situations that people change their environment.
- . "Purpose" is defined as the intent that is intrinsic to planning action and gives it direction.
 - In planning the main purpose of action is to create controlled change in the environment.
 - The reason for wanting change in the environment is that complex dynamic situations tend toward increasing degrees of de-organization (ecological imbalance) unless higher order organizing activities are introduced.

- Therefore, the purpose of affecting that situation through planning is either to solve the problems that inhere to the situation, or to improve the situation, or to establish a general control over the environment so as to obtain organized progress within it.
- Perception of a situation that is problematical, namely, in need of solutions or improvements or betterment, is a function of a given value system, for it is in terms of such a value system that judgments can be made as to the nature of the situation.
- Values are the dominant commitments of society or the motivating preferences of an individual. They are operationally governed by rules or standards called norms.
- If a situation is recognized as problematical, it means that there exists a dissonance between the situation and the value system; or between the values striven at by a group and those of (an) other group(s); or, possibly between the means necessary to reach the same values, and their actual distribution among the various groups constituting the environment.
- If planning is viewed as a problem-solving device, then the emphasis of action is to bring changes in the environment while leaving the value system untouched and thus to achieve consonance between the two. If planning is viewed as a continuous organization of progress throughout the environment, then it becomes necessary to effect changes in the value system as well as in the environment to achieve consonance between the two.
- Changes in the value system are made by establishing new norms in the light of which can be given new meaning, to the society and its development.
- The redefinition of norms or the invention of new norms is part of planning activity.

RELATIONSHIP BETWEEN PRE-CONDITIONS OF PLANNING
AND THE SELECTED GOALS

The Goals of Planning		Elasticity of the pre-conditions	
		small	great
Elasticity of the objectives	great	utopian or visionary planning	dynamically organic planning
	small	statically organic planning	conservative planning

BASIC RELATIONSHIPS
BETWEEN PLANNING SYSTEMS AND THEIR ENVIRONMENTS

1. Boundaries: Higher level planning systems interact openly with the environment; lower level planning activities may be closed.
 2. Behavior: Planning is rational and goal-directed. It is voluntary when goal selection is free rather than imposed by sectional interests.
 3. Steady State: Higher level, open planning achieves environmental steady state through attainment of goals and long-run action; closed planning may achieve only localized steady states.
 4. Resistance to Change: Planning is not resistant to change and may be change-creative, but when it is a closed system it may be unresponsive to requirements of the environment.
 5. Adjustment to Change and Creativity: Planning may be adaptive and creative to the extent that it permits continuous exchange with its environment.
 6. Tendency toward Routinization: Whether open or closed, planning tends to develop fixed arrangements and at least partial routinization.
 7. Energy: Planning acts as a concentrator and mobilizer of energy.
 8. Futurity: Planning embodies future-oriented decisions, but as a closed system it tends to perpetuate the present.
 9. Functional Unity: Higher level planning is aimed at insuring harmonious working of the parts and overall unity of the total system, but dispersion may lead to disharmony and neglect of requirements of the system as a whole.
-

PROPERTIES OF PLANNING SYSTEMS

1. Entropy: Planning tends to reduce entropy through routinization or the introduction of higher levels of organization.
 2. Self-Regulation and Self-Adaptation: Planning at different levels achieves varying forms of self-regulation and adaptation, ranging from pure cybernation to anticipatory response to events.
 3. Flexibility: Closed planning is mechanistic and deterministic; at higher levels it consists of non-deterministic human action and becomes more indicative than compulsory.
 4. Causality: Closed planning is causal; higher, open planning systems are non-casual.
 5. Feedback: Feedback in planning systems is goal-derived and varies from pre-determined reactions in closed systems to flexible, creative adaptation in open systems.
 6. Selectivity and Standardization: There is, however, still another aspect that can increase greatly the mechanistic functioning of planning - according to the conceptions with which planning is applied - and which relates to the increased need for standardization the more the system becomes open and larger at the same time. Then standardization does become an obvious requisite for further functioning, a requisite however which has an inner tendency to reproduce itself.
-

PLANNING AS A MECHANISTIC MODEL AND AS
A HUMAN ACTION MODEL
(GENERAL CHARACTERISTICS)

<u>Mechanistic Model</u>	<u>Human Action Model</u>
Goals given from outside.	Selects values, invents, objectives, defines goals.
Designed to solve specific classes of problems.	Seeks norms, defines purposes.
Internal organization independent of purpose.	Higher order organization defined by purpose.
Controlled external policy.	Self-regulating and self-adaptive
Programmed actions toward given outcome.	Regulation of steady state dynamics through change and governance of meta-system's self-adaptive and self-regulatory tendencies, through policy formation.
Feedback and general control by action amplification.	Goal-derived feedback.
Emphasis on feasibility (timeliness) of alternative action schedules.	Defines mechanistic system's operational characteristics.

. "Plan" refers to an integrative hierarchically organized action constructionⁱⁿ, which various kinds of decisions are functionally ordered.

- There are three levels of functional relations between a plan and the environment:

- i) policy making functions, which result in indicative planning and are directed toward the search and establishment of new aspects that will help define those values which will be more consonant with the problematic environment. In other words, normative planning occurs when the purpose of planning action is to change the value system in order to achieve the required consonance with the environment. The statements of normative planning are related with values and defined in terms of "oughts".
- ii) goal-setting functions, which result in strategic plans wherein various alternative ways of attaining the objectives of the normative plan are reduced to those goals which can be achieved, given the range of feasibilities involved and the optimum allocation of available resources.
- iii) administrative functions, which lead to operational planning wherein the strategies that will be implemented are ordered in terms of the priorities, schedules, etc., that the situation dictates. Operational planning is that part of the planning structure in terms of which changes in the environment are effected that are purely of a problem-solving nature (in other words, operational planning need not involve a consideration of value premises.).

The rather abstract and classificatory terms that I was forced to use throughout this chapter^{so} as to be able to impose some shape upon the argument have no doubt also caused me to oversimplify it. Let me, therefore, mention some important points I have consciously avoided in order not to lose the main thread of the planning matter.

I have, for example, avoided the issue of power, the question of who will plan, implement plans, apply plans, although it is one of the central problems that confronts us. And if I am told that power is a "political" issue and therefore beyond the scope of the subject, my answer must be that I disagree: power is personal, social, institutional, situational - it is ecological in the very sense that I have used that term. Power is at the heart of every argument with which planning is concerned. It represents control over one's life and control over one's environment. It would obviously be untrue to say that we have failed to develop many such controls in the context of Portuguese development plans. We have; but we did so in relation to a single purpose which seems to have dominated all our strivings: the abolition of scarcity by means of mass production and the accumulation of wealth. To this end we channelled all our energies, fashioned all our institutions, subtly reordered all our priorities and values. It is into the meaning of this end that we cast all our hopes and all our notions of progress. It seems not to have occurred to us that abundance itself was but a way-station along the road, and that its very advent would confront us with all sorts of new problems for which everything we built, the wealth, the institutions, the political systems, the civilization would avail us little - because in some deep way they would be almost irrelevant while their momentum would prevent us from thinking of new relevancies. Yet it is these new relevancies that must define the shape of the future.

New relevancies call for new values. To have substance, these new values must be made operational within new institutions. New institutions cannot be invented of whole cloth, set up and told to get going. They have to evolve through change. Such evolution requires that we design some responsiveness into our institutions. This, too, is an aspect of planning I have not touched upon.

Everything that I have attempted to say in these notes adds up to the conclusion that our future cannot be conceived of except in the form of a new and dangerous reality created by population growth, changing and accelerating technology, a reversal of economic-metabolic relationships between man and nature, and the emergence of what more and more frequently is being called the "post-industrial age". It is all this that creates the complexities and the uncertainties I spoke of at the beginning: by "all this" I mean this new world which we, the generation that is riding the wave of change, are finding so big, so strange, so alien and disquieting.

It is my opinion that this situation will continue until what I have called planning, namely, the method of value analysis and formation, of policy generation, alternatives construction, choice, decision making and implementation, becomes understood as the core and method of social science.

It is possible that many readers who are used to the hedged formulations of contemporary social science will find my approach in this essay assertive. To this I must answer that to state any fact is an assertion; it is an assertion to perceive something and to say that one has perceived it. I believe that the assertions I have made are beginning to be shared by an increasing number of concerned people throughout the world, although because the facts are new, because their consequences can only be inferred, one has to engage in a great deal of interpretation to make them intelligible. And if it is argued that I have given my interpretation too a wide social base and, as a result, tended to slight the role of individual free will and individual decision-making in these weighty matters, then I shall have to answer that the criticism is well taken and that I believe our problems to be primarily social in character.

3. THE NEED FOR A NATIONAL BALANCED STRATEGY

3.1. GROWTH CENTRES IN PORTUGUESE REGIONAL POLICY

In any development policy, the need to pay attention to the distribution of population and activity is bound to arise sooner or later. A development policy does not mean relying completely on the free activities of business and individuals; it calls for intervention or control over these - as well as over the various public activities. If the policy is to gather momentum and have some consistency, experience shows that the location of activities or decisions affecting this location must not be allowed to take place haphazard and in relation only to the direct interests of the various businesses and services; i.e., there must be location of activities or a regional development policy.

Similarly, in the execution of any such regional development policy, two pitfalls are to be avoided. First, one has to fight the excesses of concentration; if concentration leads to external economies, it is bound to become exaggerated, bringing about the well-known evils of congestion and jeopardizing the development opportunities of other areas. But, at the same time, aiming too consistently at a general spreading of activities would be detrimental or unrealistic: extensive decentralization would indeed be, economically speaking, very costly if universal experience did not prove that it is in reality practically impossible to carry in through.

The idea that economic development comes about in cluster-like fashion is a trend that must not be opposed but rather supported by seeking what has been called "concentrated decentralization" through the selection, within areas outside these of maximum concentration of activities, of points to be especially favoured - whether these are called growth points, growth centres, development poles, or receive no name at all - thus appears an obvious feature of any regional, and, in fact, any development policy. As early as 1965, when Portuguese decentralization policy was only beginning, people already spoke of the dangers of "sprinkling", or of those that could arise from the desire to "spread the butter too evenly on the bread" - that is, of locating new activities whether at random or systematically everywhere, and consequently of the need to select particular areas. In this field, as may be the case in others also, practice precedes theory, or rather, the

intuitive elements of a theory are present before the lessons of analytical studies confirm it and eventually offer improved guidance. (28)

The object of this chapter, as I understand it, is to ascertain the relations between the notion of growth poles and actual Portuguese regional policy. However, the policy implications that may stem from the use of the growth poles concept, if they have a definite meaning, appear ambiguous and lacking in accuracy in relation to concrete problems. This makes assessment difficult. In this chapter, I shall attempt to make a contribution to this task by reviewing a number of actions undertaken in accordance with Portuguese regional policy over the past ten years in which the notion of polarization and cluster-type development was present.

3.1.1. THE INDUSTRIAL GROWTH CENTRES

In this review, I shall make a distinction between the centres, poles or nuclei that were considered in Portuguese regional development policy, depending on whether they were considered separately, or as part of an organized network. The distinction is not always clear; even those who were not very theory-minded and spoke about the necessity of contributing to the development of an area by reinforcing its natural centre might have thought that these specific areas and centres were, in fact, part of a complex network and should be dealt with accordingly. In this case, however, the distinction appears practical, if only because it allows actions to be divided on a chronological basis. In the first years of Portuguese experience the tendency was to select centres for accommodating the new ventures not entirely at random but according to local specific needs and possibilities. These centres I name "industrial centres", to show that the development expected was that of one, or of a series of basic or specific activities, or of activities that ought to have favourable consequences for the general welfare of the centre and the neighbouring area. In most cases, these activities were of an industrial character, although at times they might include such activities as transport, tourism, trade and even agriculture; the word industrial must therefore be understood in a broad sense.

I shall make a further distinction between small and medium-sized centres on the one hand and large centres on the other, as the latter seem to lend themselves better to quantitative analysis of their effects.

3.1.1.1. THE SMALL AND MEDIUM-SIZED GROWTH CENTRES

I shall not again embark on a detailed analysis of the policy followed in Portugal since 1965 and subsequent years in respect to these centres. This policy is easily justifiable when one considers that, in most areas, Portuguese medium-sized centres appeared to be underindustrialized and the general aim was to develop industry; it was easy enough to understand. The only major point of dissension - and this was rapidly settled - was whether the industrialization effort would be directed more especially toward the medium-sized towns of, say, around 20,000 inhabitants, or whether it should also cover the larger towns, including the regional capitals.

The debate was not centred on theoretical precepts, although these were not ignored, but it was felt that they had little relevance. The chief aim was to strike a balance between the size of plants and that of towns; it was felt, for obvious social reasons, that the larger plants should go to larger cities, in order to avoid the problems inherent in a one-plant town. For similar reasons, diversification was sought in order to avoid the problems of mono-industry. This sprang naturally from the fact that, in most towns, industry was centred on the consumer trades, such as food and agricultural production, textiles, leather and clothing, which were experiencing difficulties, and this development effort meant, in fact, the introduction of new and more dynamic industries.

The effect of these new ventures was expected to be mainly direct; that is to say, they would lead to an increase in distributed income. However, their impact on the activity of existing businesses, or indirect effect, was not overlooked (which is easy to understand, if one realizes that, the pressure groups campaigning to have a given centre placed among the favoured areas included many - such as tradesmen, etc., - who, by reason of their profession would ultimately profit from any increase in local spending). They were also expected to have the favourable effect (the so-called "imitation" effect) on existing semi-stagnant businesses that was frequently obtained from the. But it was not assumed that these new ventures would have much of a multiplication effect (called at times "effet d'entraînement") on the activity of other businesses through their local buying of an input or sale of an output.

Nevertheless, the problem of specialization was not lost to sight. I remember vividly the lengthy discussions in those years about the possibility of promoting or strengthening local and regional specialization. A common expression in those years was that of "vocation" industries, for example, electronics, or machine-making, as factories of this type already existed there; or modern furniture because of a good timber supply and wood industry; or, again, light or heavy industry, and so on. Looking at these efforts in perspective, it is difficult to consider them as anything more than wishful thinking, or the sort of information that any competent public relations programme would provide. Industries destined for the larger centres went in the event in another direction; and as regards the smaller centres, even when they had developed according to programme, the timing and the sectors involved did not come up to expectations. With economic and technical conditions continually changing, and the necessity of balancing accounts, this is bound to happen in a market economy - and in fact in any economy. This is so obvious that it is not necessary to emphasize the point.

The centres selected, when they were not depressed areas, such as a decaying mining town, were considered in relation to the area they were servicing. A complete vocabulary came into existence to depict this situation and these aims. People would speak, for instance of "comforting" an area where emigration was large, income low, agriculture was in need of modernization and there was a redundancy of labour, etc.,....., through the creation of one or a few new industrial establishments in its major town. For obvious social and political reasons centres of this type would be found in a number of different surroundings; nevertheless, attempts were made to have them established principally in regions which were in need of special help, and where concentration of efforts would have a sufficient impact to modify the existing trend.

Recently it has become customary to contrast growth poles where the accent is on functional linkages, backward and forward, and growth centres where the accent is on agglomeration in concrete, geographical space. From what has been said before, it is evident that the conception behind the growth and development centres in Portuguese planning practice owes very little to the growth pole theory; in fact, this practice has been frequently criticized on theoretical grounds and it was considered that as the centres were usually much too small and that insufficient attention was paid to the linkages for these to have any real impact. But this does not mean that the policy has not been beneficial. On the contrary, this aspect of Portuguese policy could be said to ha-

ve produced good results: in most parts of the country most medium-sized and large towns can today show a number of new or extended plants and on the whole - in spite of shortcomings - a much better and more balanced structure than they used to have.

3.1.1.2. THE LARGE GROWTH POLES

When a large industrial complex was established in Sines, in a not too highly industrialized area, it was labelled a growth pole. (29)

In this case, the studies commissioned were launched before any major decision was taken, and in this respect they offered guidance, not only on all the secondary decisions rendered necessary through the creation of the complex, such as the size and location of the new residential centres, but also on whether the creation of the complex itself was opportune and on its main characteristics. From our point of view, the most interesting studies were those undertaken to assess the effects of the creation of the complex on employment and population, either direct, indirect ("effet d'entraînement", distinguishing between "amont" and "aval" - forward and backward effects), or induced (i.e. income effect). Regional accounts, including a simplified input-output table, were also prepared. (these studies are not published yet).

What lessons can be drawn from this first survey? Has the growth pole concept made any valuable practical contribution to policy? My comments here will be threefold.

We note first that a method for assessing the growth of regional income has appeared. This supposes a distinction between so-called "basic industries" where ^{the} growth rate is known or assumed and is at least equal to the national average and other activities. Through the use of technical ratios, derived from input-output tables, or otherwise, the consequences of this growth are then assessed. The computation assumes the existence of a well-defined area or region, in which the basic industries are located and exert their influence.

It could probably be said that this type of computation does not really owe very much to the growth pole and is, in fact, an application of the Leontief input-output model to regional economics. Numerous variations of the basic model have been proposed. They offer a good instrument for assessing what actually takes pla

ce. But their weak point, as regards forecasting and programming, is their reliance on fixed technical ratios based on experience obtained elsewhere and at other times. These, in fact, offer no sure guide to what will actually take place, especially if, as is the case in most of the industrial sectors in a regional analysis, the number of decisions involved is small.

This lesson is linked to another which Portuguese experience also supports. There is in fact not much evidence in recent experience of the existence of a dominating or leading effect exerted by basic, heavy industries which, according to some followers of the growth pole school, come at the top of the list of the "industrializing industries". What appears much more certain is the fact of the inequality of growth, and the Schumpeterian side of Professor Perroux theory, according to which the initiative and dynamism of entrepreneurs (including that of public bodies) will not be equally spread over the map. However, these dynamic points will be found where diversified centres exist, serving as cultural and decision-making centres, more often than in the close vicinity of basic industries. In other words, a growth pole must be understood more as a sociological problem than as a purely economic and technical one.

A third lesson is the difficulty of knowing the right size of the centre and the area taken into consideration when assessing the impact of an industrial growth centre for planning and forecasting purposes.

The north of Portugal offers an example. When the first "Ordenamento do Território" plan was published, in 1969, the cities of Braga and Guimarães were each mentioned as "growth poles". Five years later, with the general ease of communications, and the trends towards concentration, these twin cities (distance apart 22 kilometres) were taken as only one growth pole. But the difficulty and arbitrariness of any delineation chosen weakens the practical usefulness of our concept. No empirical assessment could overcome this difficulty, although some authors seem to imply the contrary.

In the absence of empirically determined scales of relevant sizes of regions and growth poles, these concepts have limited relevance as a guide to policy and action. (30)

Indeed, in Portugal there is an obvious discrepancy between the government's motives and those of private entrepreneurs. Government tries to achieve a balance of regional development; its preoccupations are socio-economic effects, external economy, degree of dependence, and the social cost of regional development

and urbanization. In contrast, private entrepreneurs adhere to the logic of internal economy in decision-making, the profit motive being uppermost. In other words, state intervention is an apt ground for a policy of regional development which is based on the growth pole theory. The decisions of private entrepreneurs on the other hand belong to the traditional decision-making and its modern variants.

Accordingly, in Portuguese regional development one must consider a simultaneous macro-and micro-approach. The problem does not lie in this dualism as such, but rather in the fact that macro-and micro-approaches have not been co-ordinated. The formation of the regional socio-economic structure is decisively influenced by private entrepreneurs, who make most of the decisions on the territorial allocation of economic and non-economic activities. This is the main reason for the difficulty of Portuguese regional policy based on the development pole theory to achieve a significant influence and dynamism.

In Portugal the co-ordination of the criteria of external and internal economies between public and private initiative constitutes a problem the solution of which is the basic aim of state intervention on a regional scale. The resources and measures for developing special areas (growth centres and agricultural integrated areas) or relieving congested Lisbon and Porto have been calculated with a view to creating such conditions that the private entrepreneur, basing his decisions on internal economic considerations, shall become at the same time a medium for the attainment of regional equilibrium.

However, one must refer that a similar action along these lines has not given satisfactory results in some other European countries. For instance, Italy first tried to create points of attraction for private investment by creating an infrastructure in southern Italy. It turned out, however, that these points were not attractive to private entrepreneurs, and therefore a State industry was set up pledged to locate most of its plants in the south. The example of Italy shows that resources and measures were insufficient to woo the private entrepreneur, or else that the real motives for his decisions and behaviour were not recognized. The truth would appear to lie in a combination of the two. Limited measures were changed but the results were poor. It would seem that all the resources and measures in southern Italy meant less to Fiat than its knowledge that the congestion in Turin created economic and social difficulties, and it was for this reason that the firm decided to invest in the south.

By subsidizing employment in less developed areas, Britain is making an interesting attempt to influence indirectly the allocation of investment and relieve the congestion in over-crowded centres with labour intensive industry. It is too early to give a fair appraisal of these measures. It is clear, however, that in Britain and in other western countries, these measures are limited in scope and not very effective. For this reason the entire complex of interrelations between government policy and the decisions of private entrepreneurs has remained completely unregulated.

In spite of its strong connection with centrally planned economies, the concept of interrelated industrial complexes as the Portuguese of Sines appears to be potentially much more widely applicable, especially as a means of implementing regional schemes of industrial development.⁽³¹⁾ Furthermore, the techniques of industrial complex analysis may be viewed as a step forward compared with traditional simple input-output analysis insofar as the origins of technical interdependencies are explicitly recognized. An industrial complex may be defined - in a very wide sense - as an ensemble of technologically and economically interconnected industrial units usually located in a given territory. Such a complex is normally a planned complex, based on a common physical infrastructure and developed around one major industry which forms the core or the focal point of the complex. The core appears often to be a heavy industry. The advantages of the creation of industrial complexes are said to be: ⁽³²⁾

- i) Substantial economies of investment expenditure. The investment for the whole complex is less than the sum of the investments required for each enterprise planned and located in isolation;⁽³³⁾
- ii) Efficient production due to advantages of specialization, economies of large-scale operation and organization of common managerial and infrastructure facilities;
- iii) Possibility of co-ordinated exploitation of the natural and raw material resources of the area of location;
- iv) Opportunities for close contact, rapid diffusion of technological innovations and rapid over-all development of economy.

To a large extent, the industrial complex is a concept in which the core unit may be compared to the concept of the dominant firm in growth pole theory round which there tends to grow up a set of interrelated units based on backward and forward linkage effects. The essential difference is that in an industrial complex these interconnections are directly planned in order to ensure the optimal composition of the entire complex, including the economic and socio-cultural infrastructure, auxiliary and servicing plants, and plants working for the local consumer market. Consequently, the setting up of the complex, i.e. the time sequence of establishing the various units, is also planned. (34)

Thus, an important distinction to introduce concerns the relation of poles of development in organizational and industrial space to poles of development in regional space. In short, regional poles can be conceived either as regional clusterings of economic activity and population, a peak rising up from a plain density - surface, or a projection into regional space of organizational and/or industrial poles. As also the last types will manifest themselves as regional poles, the essential distinction is between regional poles encompassing organizational and/or industrial poles, i.e. propulsive firms/industries and related activities, and regional poles, consistent of merely a clustering of economic activity without any focus of industrial/organizational pole. A similar distinction can then be drawn in the field of policy. That is: development pole policies can aim either at regional clustering of economic activity in general, disregarding the organizational and industrial composition of the regional pole, or as a policy aiming at creating regional poles of growth through the location of organizational/industrial poles.

The role of large firms in a region should be viewed from this angle. We recognize that small as well as large enterprises can serve as growth poles. This is not to deny the important role of large firms in regional and global development. The fate of the development of several regions can sometimes be decided through the amalgamation of a large number of enterprises and the concentration of the economic power of a large firm. It is often repeated that today large firms behave like States. This is no doubt true with regard to the optimization of many profits over a long-term production development, the role of large firms in innovations, etc. However, it is difficult to claim that large firms behave like States at a regional level and that they respect external effects. They may be growth poles in so far as they are included in regional development policy. If they behave independently, following only the logic of the industry itself, they may be an

obstacle to this development. A clear and already classical example is that the great hopes in Aquitaine that the newly discovered sources of natural gas in Laeg would be a development pole were dashed by the firm's decision to export the gas of the region. It is clear that the co-ordination of regional policy and the decisions of large firms is becoming an ever more delicate problem as these large firms gain more economic and social power.

The attitude towards the institutional context determines the theory espoused. The acceptance of the existing institutional context in which decisions are based chiefly on the internal economy of an enterprise serves to perpetuate the traditional theory of location, and sometimes leads to attempts to subordinate the growth pole theory to free operation of large firms. In contrast, consistent application of the growth pole theory calls for a broader area of State intervention, which means a change in the institutional context and the introduction of planning process.

On the other hand, increased State intervention alone was not sufficient in Portugal for the implementation of the development pole theory and the resolution of the contradictions between external and internal economies. This appears very clearly in the last Portuguese medium-term plan (The IIIth Development Plan), in which regional policy was given scant attention, and mainly in terms of reducing regional differences. In the implementation of the plan, territorial disaggregation was carried out by individual decisions, in which social criteria were abandoned for the logic of internal economy and private interests. The absence of inter-regional co-ordination has permitted duplication and multiplication of identical factories. In this way the advantages of Portuguese regional development policy were largely neutralized as was very patent from the lack of co-ordination between economic and non-economic activities at the regional and local levels.

Now, the governmental policy is in the process of favouring the setting up of large firms through the integration of numerous isolated enterprises. This integration is intended to achieve the well-known economies of scale. However, the real significance of this development in the organization of the Portuguese regional planning depends on the fact that intermediary organs will be, or not, created on a regional basis. A lack of intermediary organizations has always been a glaring defect in the organization of the Portuguese regional development, which comprises two active factors: the central political body and the enterprise. The creation of large firms is undoubtedly of great significance for intra-regional development. In Portugal the role of large firms is still

relatively insignificant, since they are few in number. Ministries and directorates are only apparently intermediary bodies. In fact, they are supervisory bodies of the central government and are administrative in character. For this reason the question of the role of firms as regional socio-economic organizations which should take care of the intermediary sphere and serve as growth poles in regions remains open.

3.1.2. THE URBAN NETWORK

The recognition of the difficulties encountered when assuming that the development of an area or region will be solved satisfactorily by the creation of industrial centres in a position to play the role of growth poles favours another approach to the problem. This is based on the fact of the regularity of the distribution of settlements and cities and of their dependent areas, seen as the result of an historical process. It is felt therefore that if orderly development of the different towns and centres is obtained, well-balanced general development will result.

This approach differs from the preceding one in two important respects. First, the basic activities taken into consideration are not only the industrial activities mentioned earlier, even when the word industrial is taken in its broadest sense. Of major importance here is the presence of the various services, especially those endowed with decision-making capacity, and the maintenance of a proper balance between them. The second difference is related to the very notion of balance or unbalance. Industrial growth pole analysis assumes the existence of a disequilibrium between areas and sectors; the inequality of development, one factor and one area preceding and leading others, tends to give rise to a series of readjustments and to cumulative growth. In the approach now considered, on the other hand, the basic idea is the existence of a proper balance between an area and its natural centre, and between the various areas and centres, which together form a complete network. This approach may therefore be called the urban network approach. In Portugal, in fact, the expression that came into use in this respect has not been that of "urban network", but of the "urban framework" - the idea implied being that the system of cities is the very structure of the spatial order. What is common in this and the preceding approach, however, is the assumption of a link, a dependency, between the economic fortune of an area and its natural centres.

In a sense, the consideration of a system of areas and centres is conservative; if there exists a balance within the whole network, with centres of the first, second, ... regularly disposed, in order, and if the system remains virtually stable even when resources and their distribution change, there is not much scope for intervention. But, in fact, the system is never fixed nor completely perfected. Analysis will show the existence of disparities, imbalances or atypical distributions, and this opens the way to deliberate action.

The idea which is implied is that there exists a sound structure which allows for economic, social and cultural development to take place under the best conditions, and that steps have to be taken to create them if these conditions do not exist. A difficulty, of course, is that a structure may appear unsound in comparison with the average type of structure, or the type of structure of the most prosperous areas selected as a norm, but this may be a sign, not a cause, in the sense of the prime mover, of the differences in prosperity. The answer, of course, is that an urban network policy aims at rehabilitation or consolidation of the whole economic system.

The policy that has been followed in Portugal since 1969 in this respect can be seen at three levels. At the highest level of the urban network comes the well-known "regional capitals" policy. A systematic policy has also been attempted at the so-called intermediate level (medium-to-large cities). Very interesting efforts have equally been initiated at the lowest level, that of the centres that serve the rural world, where the need of reorganization round new nodal points (the "village centres") is today very keenly felt.

3.1.2.1. THE "REGIONAL CAPITALS"

There is no need to describe again in detail the well-known particularities of the Portuguese urban structure, with the historical proeminence of Lisbon, which has gathered momentum in the economic field in the course of the 19th and 20th centuries. When plotting Portuguese cities on logarithmic paper to see if they fit the log-normal distribution, we see that Lisbon is much above the regression line, the main following cities much under, the law appearing to be more or less observed in the case of the other cities. (35) If the various socio-economic functions, notably the higher one, are considered instead of population, the proeminence of Lisbon is still more marked.

Detailed studies have been undertaken in recent years to assess the power of attraction and the specific functions of Portuguese's major cities.⁽³⁶⁾ One object of the studies was to check the presence of equipment and services in such domains as trade, banking, administration, the professions labelled "rare", higher teacher's training colleges, cultural, artistic and sports equipment, etc.... From these studies it emerged that there existed in Portugal a first category of cities after Lisbon, which were not necessarily the largest, but possessed a good level of equipment, although not as complex as that of the capital. The attraction zone of these regional capitals - or groups of twin cities - covered in fact only a fraction of the national territory. ^{one} Nearly half of Portugal dominated by Lisbon, had developed no centres of that kind.

The policy had emerged from these studies and all the experience gathered since 1965 was clear enough. The regional capitals were to see their equipment reinforced to allow them to offer effective countervailing power to the attraction of Lisbon. In the half of Portugal under the direct domination of Lisbon, however, no comparable efforts were to be made, for the chances of success in the face of that domination were not considered to be large enough. This did not mean that the equipment of the regional centres found in their part of the country would be neglected, but that there would be no attempt to make it as complete as possible.

In the case of the "regional capitals", a special effort was to be made to strengthen their power of domination. This meant attempting to reverse the downward trend in the number or size of local businesses. It meant especially bringing in higher educational institutions, such as engineering colleges, and their related research centres.

In carrying out this policy a number of "points" have had to be taken into account. One was the difficulty of making a clear distinction between cities considered "regional capitals" and those which are not; if the advantages conceded are too large, marked disparities will result, and various pressures, politically difficult to resist, will appear.

Two other poles may be mentioned. One is that the reinforcement of the regional capitals will be easier if it is supported by real decentralization of the decision-making power. This is the object of the regional reform, which has been under consideration for the past five years; as we may know, however, progress in that direction, appears for the moment to have been stopped.

The other point which I shall also just touch upon, is the argument that no change in the Portuguese structure of the magnitude needed will be possible as long as the seat of government and administration coincides with the major economic, social and cultural centre of the country; but this would entail such a tremendous change that it does not appear very realistic to expect it in a short term.

3.1.2.2. THE INTERMEDIATE AND LOWER URBAN LEVEL

Numerous studies, (see second part 5.2.) some of an academic and some of a more operational character, have been carried out in Portugal in recent years in order to assess the exact extent of the urban networks, and the best way the equipment of the various centres might be carried out.

The first of these studies has revealed the power of attraction of towns and centres of different sizes in various parts of the country. The others were commissioned to present hypotheses about the development of the main towns in various regions. The planning of equipment and services in the towns would correspond as closely as possible to the results of these studies. One of the underlying assumptions of this effort was that the construction of equipment (schools, health, cultural, sports equipment, as well as building and transport investment), which is a growing fraction of total investment, has a multiplying effect on the general development of the towns, and this could be an instrument in the attainment of national and regional policy objectives.

At the lower level, the objective was to define a new network of local centres which could be promoted, thus making it possible to fight the cumulative consequences entailed in the general decline of village population and activities.

Some of these studies, notably those concerned with the lower level of centres, were based on knowledge of what appeared to be the technical, optimal norms for the size of establishments for the various services. Synthesis was attempted for centres of various sizes, and the level of equipment of these assessed in a normative way. (37)

These studies are of great interest. But it could not be said that so far, a really complete policy based on them has been developed.

3.1.3. THE NEED FOR RESEARCH INTO THE OPTIMUS SPATIAL DISTRIBUTION OF SOCIO-ECONOMIC ACTIVITIES

Two opposite conclusions might, it seems, equally well be drawn from this survey. The first would be that the concept of growth centres has made, till now, no major contribution to Portuguese's regional development policy. On the one hand, the theory is rather nebulous; on the other, so far as it exists, it has not motivated any clearly defined action. To take first the case of what have been termed industrial growth poles or centres, there is nothing to warrant the assertion that the promotion of such centres has been one of the actual objectives of the policy pursued. More particularly, the major growth poles on which attention sometimes tends to be focussed with the exception of Sines development pole, have never been the subject of systematic policy decisions; those which can be said to exist have been accepted or tolerated rather than desired, and the effects attributable to them seem to have deviated from the original intentions. There has been no lack of statements affirming the existence of an official policy concerning the rational organization of the space around a hierarchy of centres constituting its framework, yet, as in the case of the "regional capitals", there appears to be an extraordinary slackness about the action taken in pursuance of that policy.

On closer inspection, however, this judgment must be tempered. The regional development policy has in any event progressed since it was launched in 1967, though without concepts of the kind analysed here it would have lacked guiding principles. The analysis which has shed light on the inevitability of the phenomena of concentration, the existence of pressure points within a developing structure, the complementarity between those pressure points and the surrounding areas, and the existence of a balance and a hierarchy between the various points of concentration, has provided the various planners responsible for the regional development policy with both reference points and guidelines. It has shown both the limits of what was feasible and the meaning of what was desirable. For instance, by helping to prevent "over-scattering" and revealing the importance of grouping functions and activities in a certain manner, the analysis has undoubtedly done much towards orienting the action taken along realistic lines. This is not the

right note on which to conclude, however; these conclusions would be incomplete without a brief mention of the possible drawbacks of a policy of the kind pursued in Portugal and an indication of the most desirable improvements in the methods used.

The main risk appears to be that, possibly on the basis of outdated analyses, structures which should be essentially flexible and adaptable, may become rigid. The direction of evolution is not always clear. For instance, the last echelon dealt with in connection with rural development, the "elementary centre", may very likely fail to become a small town and the results of the efforts made on its behalf may by and large prove disappointing. Generally speaking, all urban framework studies tend to be based on a conception of insularity and autarchy and to resort to standards which may well become obsolete even before they have been defined. The way in which the development of the various areas and their centres is programmed tends to favour fixed assets (building construction and the installation of capital equipment), insufficient attention being given to the administration of services and the satisfaction of the needs of the inhabitants and consumers.

The main direction in which progress appears to be desirable is in the closer study of the way in which the various services (schools, hospitals, etc.) should be distributed or grouped so as to function as satisfactorily as possible, account being taken of as many data as possible. Studies on this vital matter have not yet been adequately developed. In this way, one must stress the importance and the urgent need in Portugal for a research into the optimum spatial distribution of socio-economic activities. We will ~~the~~ try, according to the international experience, to mention / basic points of this research.

Many studies, which cannot be described here in detail, have revealed the existence of a model of hierarchically organized centres. In such centres, various services are provided and various activities, economic and otherwise, are carried on. The higher a centre's position in the hierarchy, the greater and more varied is its supply of services and the greater and more extensive its area of predominance.

In most countries, of course, the geographical distribution and size of the centres will differ considerably from the regular hierarchical system, which, according to the classical theory of centres (as expounded by W. Cristaller, A. Lösch, etc.)⁽³⁸⁾ should give hexagonal market areas. This result is due to the irregularity of the distribution of that part of the population which is not engaged in service industries (because of topographical con

ditions, agricultural development patterns, extractive and other industries and access to existing resources).

The spatial distribution of the centres indicates the existence of dispersion models which imply the influence of systematic forces other than the mere distribution of natural resources. It is this which forms the subject of the theory of centres. This theory is based on the idea that activities to provide services to a given population vary considerably according to the minimum population figure, the minimum purchasing power and the minimum threshold necessary to justify these activities.⁽³⁹⁾ ... A centre at the lowest level appears when it is capable of meeting these basic requirements, namely, of dominating a hinterland whose population is not below the necessary minimum.⁽⁴⁰⁾ Nevertheless the actual distribution of towns in a given region is the result of a long and complex interaction of forces; however regular this may be it never corresponds to a systematic model. The "threshold values" hypothesis, in particular, according to which a service will appear in a given place if the demand for it exceeds a certain value, is far from proven in practice. The centres system is never completely adapted to the existing circumstances.

It may be argued that the centres theory, like every economy law, is the expression of a rationalization and that therefore it describes not only that which tends to exist but also that which ought to exist. Its function, a normative one, is to evaluate "that which, given an ordered set of functions, corresponds to the most effective division of space". Experience shows, however, that the centres theory does not give the expected answer. As G. Ollson pointed out in his commentary on the observations by J.P. Thijsse (who submitted centre models for the newly reclaimed lands in the Netherlands), the theoretically perfect system did not work. A large number of centres are losing population to the towns while others are stagnating. The pattern of development of the centres on the reclaimed lands has greatly exceeded the planner's predictions; and the new model is very different from that which exists in other parts of the country.⁽⁴¹⁾

In 1962, J. P. Thijsse⁽⁴²⁾ presented a rural pattern for future in the Netherlands; in this paper he pointed out that, in the Zuyderzee reclamation operations carried out after 1930, too many villages had been established. But, in 1967, he was obliged to note that the developments had followed a pattern different from the one he had presented and that it was necessary to adopt a more refined model.⁽⁴³⁾ This can, of course, be explained by the fact that means of transport and ways of life altered more rapidly

than had been expected. In a relatively short space of time, bicycles had been replaced by motor cycles and cars and the basic zones of attraction tended to cover a greater area that had been forecast.

In one of the most systematic papers even presented on these questions, H.C. Bos examines "the determination of an optimum spatial dispersion". He considers both production and the provision of services. The analysis starts with the observation that the optimum dispersion cannot be obtained by a succession of partial location studies, undertaken separately for each economic activity. Only a global and simultaneous determination of the interdependent location of all activities as a whole can lead to a coherent and optimum choice. These hypotheses - that agricultural production and population extend over a given area, that the production of non-agricultural industries is characterized by indivisibilities which lead to economies of scale and that the carriage of goods and services involves transport costs-suffice to explain that non-agricultural production is concentrated in production units of various sizes and that the number of production units is not the same for all branches of activity. Consideration of the various possible cases leads to the conclusion that a Tinbergen system of centres (according to the simplified Tinbergen model, the optimum dispersion would consist of a hierarchy of centres of different ranks)⁽⁴⁴⁾ is not necessarily an optimum system. If it is assumed, in particular, that industries can simultaneously produce both finished products and intermediate products which are used in the production of other industries, it would seem that the resulting structure of a system of centres will be less rigid than if all the industries produce finished products. It would also appear that it is not possible to demonstrate that this generalized system also represents an optimum dispersion.⁽⁴⁵⁾

The existence of the "fascinating but complex" problems thus set out⁽⁴⁶⁾ leads one to believe that there may be an advantage in distinguishing between the problem of the overall location of activities and the more specific problem of establishing a network of service centres. The problem to be solved may be stated as follows: as regards services, distance involves not only a transport cost but also a certain "coefficient of friction" which represents the aggregate of the transport costs with the resultant inconvenience for the population. This coefficient will not be the same for all the services considered. It will thus be seen that the problem is a dual one. Firstly, the optimum dispersion of facilities for each service must be determined; this will depend both on technical requirements (the existence of indivisibilities and

of economies of scale and on the density and general level of the population to be served; networks of schools and hospitals of various categories should not be comparable in a densely populated built-up area and in a semi-depopulated rural area. Secondly, the central problem of an optimum dispersion arises: how should these various services be distributed? There may be links between them (for the convenience of the consumer or of the service itself) and hence it may be justifiable to group together services with different coefficients of friction. The combination of the needs peculiar to each service and the advantages (or disadvantages) of the grouping will result in a distribution of centres.

Some of the cases analyzed in the studies bring out a two-stage approach to the problem of locating service facilities. In the first stage, a "reference model" is established in which various services are grouped in centres of decreasing size; in the second stage, this model is applied to a particular case. It does not appear, however, that any serious attempt has been made, either in the studies referred to or in any others, to give a formal expression to the problem.

In that connection, what is needed, in the first place, is to define a maximizing or minimizing function or criterion which would summarize all the considerations involved. Account should be taken of the relationships which exist between the services themselves and intermediate production. Models constructed in accordance with the principles would reveal whether and in what cases it would be advisable to respect a rigid hierarchy or to make towns of the same rank mutually complementary. This opens up a vast field of analytical and experimental research.

Lessons drawn from one experience in one environment cannot be applied to another without caution; each country's problems call for specific answers. In any case, Portuguese experience in the matter of poles of growth cannot be said to be very decisive one way or another. This is not only because it is still under way, but also because the promotion of industrial centres and the attempts to influence the development of the urban network do not, by themselves, make up a well-defined and well-grounded policy; they are, in fact, only parts or instruments of a comprehensive regional policy.

In my concluding remarks, therefore, I shall not revert to whatever I may have said already about the effect of the actions reviewed. Instead, I shall try to present a summary assessment of

the targets and purposes of the various actions that have been undertaken in Portugal, or that could be undertaken in other surroundings. This will be a contribution to the bridging of the gap between theory and action which has been proposed for my thesis.

In all cases, the major target could be described as the adaptation of the distribution of activities to new conditions that come into existence, as well as the correction of existing imbalances. Four types of action can be set under this heading.

The first is the correction of the balance between main cities. The "regional capitals" policy comes under this. In many other countries some sort of disequilibrium may also exist, generally owing to excessive centralization. However, the primacy of the capital, (or, at times, that of two cities), is not always to be blamed. It may be a sign of an influence extending beyond national frontiers, an expression of the strength of national life, and the rapid development of the capital may be the first and necessary stage of a growth process (this would apply especially to developing countries, where economies of scale must not ^{be} lost sight of). Such a primacy is generally linked to administrative and socio-cultural factors; no correction of the consequences should therefore be sought without parallel attempts to correct the causes. Action along this line includes discovering specialities which will make real leaders of the regional capitals, and bringing in a high level of services.

The second type of action comes at a lower level. Its object is to seek a similar redistribution of services among the various centres, taking into account new conditions, and in such a way, as may entail changes in the hierarchical order of towns and cities.

Another type of action aims at helping the polarization process when it is not very advanced. This is grounded in the opposition between geographic (homogeneous) and economic (nodal) regions, and the fact that the former are dominant in mainly agricultural areas, while polarization will increase and the second type of regions have a greater impact when development proceeds. Thus, a way to favour development and a major object of any regional policy will be the selection of regions still somewhat backward but with development potential, and within these the selection and promotion of centres with the best growth prospects. The pitfalls to be avoided in doing this are the selection of regions that are too small or not well enough defined, or of too many centres, relying on the development of an industrial base, or the planning of equip

ment and services which are not technically strong enough. Moreover, even if these pitfalls are avoided, there is no way of ensuring that the expected development will really take place, as this is also dependent on socio-psychological factors which, with existing information, cannot be planned or assumed.

A last action, while not antagonistic to the one just mentioned, takes a somewhat different direction. Its aim is to encourage a certain ordering of economic activities and population centres by taking into account existing conditions and trends. New centres of development must be favoured, but not to the point of preventing the normal development of the best endowed areas. In other words, the stronger areas ("zones fortes") must not be forgotten, and for these, the "politique d'accompagnement" literally, ("travelling together policy"), devised in Portugal a few years ago in opposition to the "politique d'entrainement" ("leading policy"), which applied to the least favoured regions, may not be enough. The goal of decentralization is not abandoned, but we must nevertheless at the same time "invest in success" and not fight at all costs against the forces of agglomeration. This necessity was never completely lost to view, but for the past two years, after it was realized that the Portuguese structure was indeed not really strong enough in the face of international competition, it has been more clearly recognized. This was, in fact, rendered more easy by the fact that, with the improvement of communications and the geographical expansion of growth centres, the stronger areas appear more closely linked with one another, instead of being a few isolated points as was to some extent the case before. The order sought, however, still means avoiding congestion in a few places only, but accepting at the same time the existence of well placed centres, in relation to one another, even if they are separated by green belts or otherwise. Action of this kind may also be, to some extent, appropriate elsewhere.

In this review, no mention has been made so far of another type of attempted ordering of space, which might be called the over-all or global approach. This entails the definition of a technically optimum distribution of population and activities, under given siting conditions, which would serve as a guideline for current efforts. Not much has been attempted in Portugal in that direction, as compared with what can be seen, for instance, in the Netherlands. (47) It may be felt that the application of such research is still very far from being a practical possibility. However, any attempt at defining environmental norms that takes account of the needs of more than one service - which we have mentioned - are to be taken as a move in that direction.

3.2. INTERREGIONAL DEVELOPMENT STRATEGY

3.2.1. TOWARDS A "NATIONAL REGIONAL STRATEGY"

Let us bring ourselves closer to the question of how the objectives of Portuguese regional strategy can be more closely defined. It also brings us nearer to identifying the essential elements in a "national regional strategy" as opposed to an internal regional strategy. The conclusions reached so far can be summed up in the following way:

- i. A "strategy" is a unifying concept which brings together ultimate, intermediate and specific objectives, and their related methods into a coherent whole. It therefore defines the objectives themselves and the way in which they are to be achieved.
- ii. Presupposing the ultimate objective for a good life for all can best be taken for granted, a "national regional strategy" is concerned with one among many of the intermediate objectives of national policy. Since these may clash and be mutually frustrating the strategy will need, inter alia, to indicate the relationship of its objectives with other intermediate objectives.
- iii. The intermediate objectives of a national regional strategy do not by themselves define the specific objectives which are appropriate. The same intermediate objectives can be achieved by the adoption of a variety of specific objectives. The choice of specific merits of the alternatives. Similarly, a variety of methods can be used to achieve the same specific objective and the choice can only be determined after examination of comparative merits in given circumstances.
- iv. Specific objectives and methods, and their regional patterns, can, like the intermediate objectives themselves, clash with other intermediate objectives. The national regional strategy would therefore need to indicate the relation between the specific objectives and methods and other intermediate objectives and their related methods.

This formulation helps to bring out some of the component elements in a national strategy and their interrelations. It constitutes only a skeleton or the "bare bones". The effectiveness of a strategy cannot be determined by its skeletal structure but by its relevance to the facts, the appositeness and feasibility of the objectives and methods adopted.

On this basis the pre-requisite for a strategy is a knowledge and understanding of the "facts" or the factual situation with which the strategy is to deal. A strategy which is geared to non existent "facts" or to abstract notions of what ought to exist in some ideal world can have an academic interest but normally will not serve the purpose of dealing with real situations; it is real situations with which Governments are faced. The question has to be asked therefore: what are the facts with which national strategy for regions should be concerned.

The first observation to be made is that the facts pre dominantly relevant to a strategy are those which relate to the future. The past has gone; and though it may be a guide to what can happen in the future nothing can be done to alter the past. Unfortunately for those who have to deal with the future, it cannot be precisely predicted and the past may be a bad guide to what will happen in the future. At any specific point in time those past trends may have worked themselves out and new trends may be in operation which can only be faintly discerned. For example the rundown of agricultural employment, or the staple industries in particular regions, can have reached their limits, while the accumulation of new economic circumstances or the accumulative effect of regional policies and measures previously adopted may have laid the foundations for new future trends which will produce a totally different regional situation from that of preceding years.

The important development of recent times, the considerable migration of population, the changing birth rates, the growth of life-expectancy, the development of advanced technological industries, the relative growth of "service industries", the "run down" of employment in coal and textiles, the revaluations of currencies, the discovery of new resources, the improvement of national communication networks, new transportation systems (such as the "container revolution") the betterment in the standards of living, the changed range and patterns of social participation and the progress towards a wider European context, - all mean that the national contexts in which regional strategies have to be worked on now is a very different one from that of the early sixties.

Secondly, the future is not a single period: it stretches out, through the immediate future to the short, medium and longer terms which can only be seen darkly as through a glass. Even the immediate future cannot be seen very clearly. The "strategy" has, at all times, to allow for change that cannot be foreseen and the errors that are inevitable in all attempts to penetrate the mists of the future. If the past is a guide to anything, it is to the ever present possibility of error in judging the future. This does not mean that attempts at strategies are foredoomed to failure at the start. It emphasizes the importance, however, of systems of constant monitoring of change, so that aims and objectives can be altered as new situations and new predictive techniques require. It calls also for setting the parameters of strategies in terms of ranges of possibilities rather than a set of single predictions for each aspect of a situation with which the strategy is to deal.

This being said it can now be asked what are the basic facts which need to be assembled, relating to the future, before a suitable strategy for Portuguese regional development can be devised? This is not a matter on which anyone can be dogmatic. Nor are there, to the writer's knowledge, any national regional strategies extant which offer a model which all Governments could be advised to follow.

FACTUAL REQUIREMENTS FOR A NATIONAL REGIONAL STRATEGY

1. The demographic facts. Ranges of forecasts showing:
 - a) Total population, its age and sex distribution and household composition for given periods ahead;
 - b) The population of working age derived from (a) for given periods ahead;
 - c) The regional distributions of (a) and (b) on the basis of previous trends corrected (i) by known new trends and (ii) by the predicted effects of regional policies and measures.

2. The economic facts influencing the regional structure, viz:

- a) Predictable change in national resources, output and consumption, income and investment;
- b) External economic factors: world market forces affecting import and export capability or trends; foreign trade orientation of the national economy; trends in competing or associated countries;
- c) Structural changes: rising, declining and stable industries and occupations (broadly categorized - primary, manufacturing, technological, service industries, etc.);
- d) Economic control policies for stimulation or restraint; the ratio on public to private sector consumption;
- e) Overall demand for and supply of manpower (labour and skills) of various main classes resulting from (a) - (d);

3. The physical infrastructure:

- a) Energy supplies;
- b) Communications (surface, air and telecommunications), ports and harbours, transport systems;
- c) Land availability and land use.

4. The social framework

- a) Progress in education and the effects on skills;
- b) Progress in housing, health and welfare;
- c) Changing social objectives and their influence: progress towards equality, leisure versus work; environmental improvement.

5. Institutional and planning framework: Planning agencies, local and regional authorities, etc.

6. Regional patterns emerging from (1) to (5).

Ideally this would show, for each particular subject, the positive or negative effect on each region, quantified to the extent the data allow. The same region could of course be positively or negatively affected by different factors, for they do not necessarily work in the same direction. It would no doubt be possible, after analysis of the regional effects of each set of "facts", to sum up the regional situation for each scheduled period, and by giving "weights" to each element, reach a conclusion on whether the resultant situation is one to be accepted or corrected, and in which respects. It would be a complicated but not impossible task. It would certainly be a necessary one in any systematic approach to the problem of defining what the objectives of a national regional strategy are to be. Assuming it could be done, a tabular presentation could help to identify the areas with which the strategy would be concerned. The following schematic form (on the following page) is only partial but serves to show a possible way of indicating the regional patterns.

Leaving aside the problem of giving proper meaning to the plus and minus signs a construction of this character enables certain features of the hypothetical country to be simply described.

It has a rising population and, taken overall, the trends are satisfactory. The main problems which give rise to concern are employment demand, adverse external economic factors and the environment.

Considering the table 20 on the following page ^{the} 387/region in the apparently worst situation is Region V. It has a declining share of the national population, its economic indices are all negative and the only positive feature is that its infrastructure is relatively improving. Region II also has an overall unfavourable situation. While its population is rising in proportion to the national total its share of national output is declining and it is beset both by structural and external economic problems causing decline in employment demand. Nonetheless its share of the national income is rising (despite the relative fall in output) perhaps because its favourable and improving environment attracts large numbers of well-to-do residents in retirement and social security benefits are generous. Regions I, III and IV are all satisfactory "overall" but in I the rise in output reflects heavy external investment the benefits of which accrue largely outside

the region so that while employment demand is rising, the region's share of national income is in fact declining. In Region III the pluses are largely due to the relative fall in population, its favourable position in regard to world economic factors and to its industrial structure. In IV the main weaknesses are in the infrastructure, and institutional-planning environment but they do not offset the favourable economic and social (educational) factors; real problems would however appear in the contrary case, that is, if the economic and social factors of the region would give an output of qualified and leading personnel insufficient to cope with the task of the regional planning of economic development.

It is not difficult to see what kind of national and "national regional" strategies are likely to be suggested in this sort of situation. The global problems for the economy are international competition and a decline in employment demand. These problems, together with structural change, are common to both regions with overall insatisfactory trends, namely II and V. The better placed regions are not uniformly satisfactory however, Regions I and II and IV all suffer from a relative worsening of their infrastructure and the institutional-planning environment is worsening in I and IV as well as in V. Economic strategy would be concerned especially with regions II and V and the strategy for the infrastructure with I, III and IV.

It would of course be possible to invent an entirely different pattern, as would show, for example, that world economic factors are unfavourable to all regions and that favourable employment demand is confined to regions less susceptible by their structure to the influence of world factors.

Nor do the regions with overall satisfactory trends necessarily correspond to the regions which have been "more prosperous" in the past. The test is, as has been said, what is likely to happen in the future and it cannot be automatically assumed - anywhere - that the conditions which have led to prosperity of a region in the past are guaranteed to continue for ever in the future. If that were so, many of the regions which are now suffering from decline of the industries which were formerly the source of their prosperity would not now be "problem" regions. It can hardly be too strongly stressed that, unless a realistic appraisal is made of the future prospects of regions in the total national context, any objectives of national regional policy based on concepts of past and current states of prosperity will be misconceived or directed towards the wrong targets.

TABLE 20

	REGIONS					COUNTRY
	I	II	III	IV	V	
Influence of changes in: Gross population (regional as proportion of national) + = increase - = decrease	+	+	-	+	-	+
Output (regional as pro- portion of national + = increase - = decrease	+	-	+	+	-	+
Income)regional as pro- portion of national) + = increase - = decrease	-	+	+	+	-	+
World economic factors + = favourable - = unfavoura <u>ble</u>	+	-	+	+	-	-
Structural changes + = favourable - = unfavou <u>rable</u>	+	-	+	+	-	+
Employment demand + = increase - = decrease	+	-	-	-	-	-
Infrastructure + = (relative) improvement - = (relative) worsening	-	+	-	-	+	+
Social Framework: Education + = adapted to change - = not adapted	+	+	+	+	-	+
Institutional and Planning Framework + = improving - = worsening	-	+	+	-	-	-
Overall + = satisfactory trends - = unsatisfactory trends	+	-	+	+	-	+

N.P.: Regions I, II, III, IV, V are ideal or hypothetical region-models and the signs within each region (vertical columns) are randomly chosen. In this way the number of possible combinations should be obviously much larger. These would be just four random combinations.

The schematic presentation adopted above shows only the sort of matters about which national judgements need to be formed. My general views on these questions were that, in the context of a national framework for regional policies, strategies are required for each region, "prosperous" and "less prosperous" alike, for the reason that national economic strategies are concerned with the economy as a whole and must be attuned to the prospective situation of the country as a whole, i.e. its several regions. The national assumptions to be fed into each regional strategy must be defined and add up to a mutually consistent whole. Separate strategies which produce a total population greater than that predicted for the whole country would be meaningless. So would strategies which provide for more than the total output, or total employment that can be predicted from global calculations.

This is however not to negate recognition the fact that a strict application of exactly the same set of rules and principles to widely different socio-environmental situations (equality of rules at inequality of real situations) mostly has a differential - not to say discriminatory - effect on reality. For this last problem "ad hoc" corrective measures in time and place might complement planning if abandonment of a single standard approach throughout the country might prove too unrealistic or impossible for political, administrative, or doctrinary practical reasons.

Furthermore, the distinctive sign of successful planning is attained when between the sum of the different regional plans and the national plan there is consistency, so that the attaining of the planning goals at one level does not imply that the attainment of the goals at the other level has been hindered.

3.2.2. MAINTAINING A NATIONAL BALANCE

The foregoing discussion has, in various ways, stressed the importance of an approach focused on a wider national perspective. Portugal is divided into major development areas, each of which will present a different problem constellation to the planner. Regional development strategies must reflect these differences, but they must also strive to achieve a balance of all programmes throughout the country, in what may be called a "balanced" approach. A balanced approach is required, first, because the development issues of different spatial subsystems are interrelated

among themselves; and, secondly, because the highest level of policy integration must be the country. A regional development programme conceived and carried out without concern for its impact on the rest of the country is likely to be harmful from a national point of view. The successful implementation of a regional policy, therefore, depends upon the ability of planners to relate it in functional ways to the development of the country as a whole. Whereas the focused approach clearly favours some areas over others, the balanced approach requires a mechanism not only for adequately differentiating among strategies for regional development, but for assuring the consistency of these strategies, (and the programmes through which they are implemented) with the over-all development policy for the country. In other words, all areas of the country will receive at least some separate attention; a few areas will receive concentrated attention; and the policies and programmes for all areas will be co-ordinated at the national level through sectoral and intersectoral policies, programmes and budgets. Because this arrangement is fairly complicated, a diagram may help to clarify it further.

In the diagram, three levels are distinguished; level I is essentially political and brings together the Council of Ministers, as well as other political decision-makers of national stature; level II includes primarily the technical skills of the central guidance system (national planning, budget office, treasury, central bank and technical officials from the ministries, and other specialized agencies); level III joins political and technical functions in the several regions and cities of the country.

Effective power in this system refers to the management of budgetary resources. Policy-making, planning and investment programming are closely linked in the diagram with effective power. For ease of communication, it is advisable that planning and budgetary functions be closely related or even joined within a single agency or planning ministry. In addition to the financial budget, a separate accounting for manpower and resources is suggested. Few countries have thus far extended their management systems to include the budgeting of critical skills and scarce physical resources, but it is desirable that they do so.

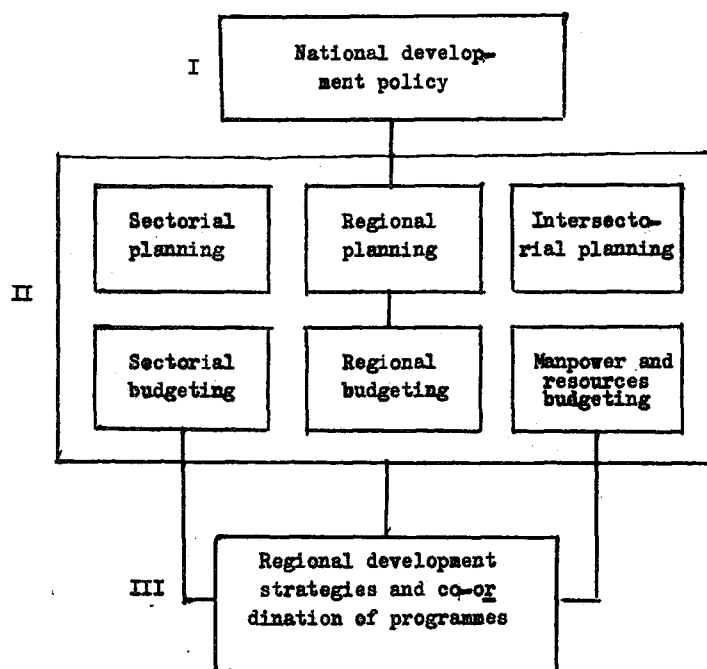
Spatial planning-budgeting is shown to relate closely to both the sectoral and the intersectoral planning-budgeting process. This relation suggests that spatial planning represents a new level of synthesis which attempts to co-ordinate both sectoral and intersectoral programmes according to the requirements of regional policy; while, at the same time, assuring the consistency

cy of these policies with the over-all development policy for the country.

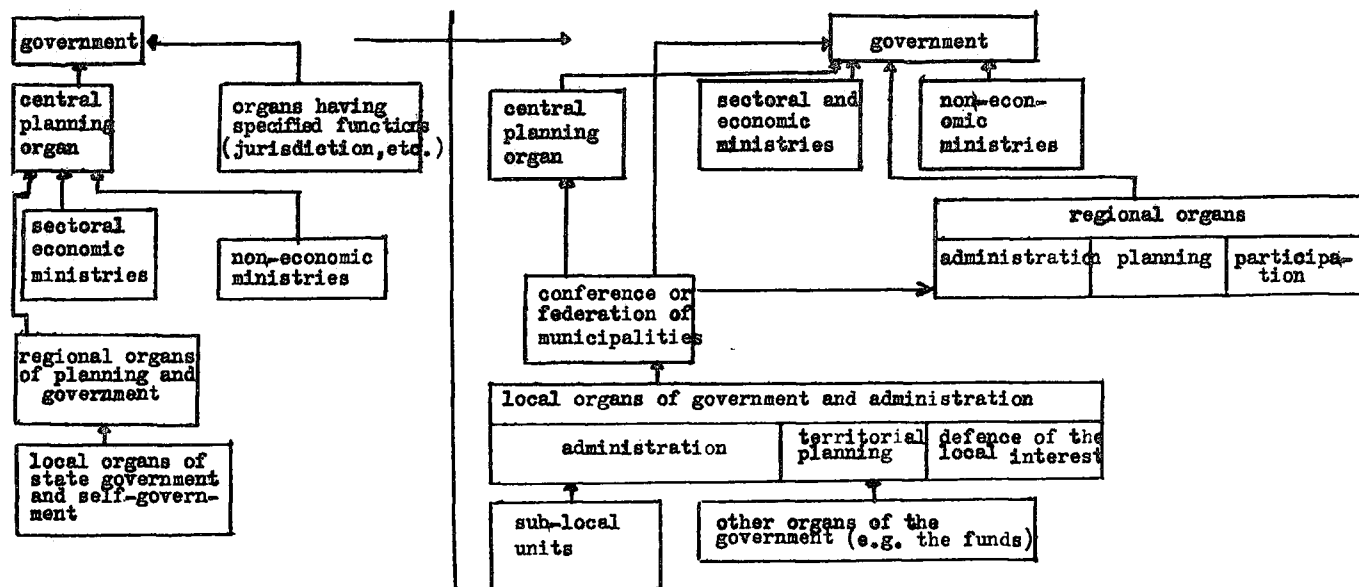
To make this possible, level III becomes a necessary component of the planning-budgeting system. Specialized planning offices must be established in each of the country's development areas (including the major cities), replicating organizations at the national level. In those regions which are undergoing intensive development, the regional (or metropolitan) development authority replaces the planning office as the focus for planning and co-ordination. In contrast to the ordinary planning office which commands no investment budget of its own, the regional authority has a corporate form and its own source of funds for carrying out its work.

An intricate web of communication brings these diverse elements into a related system. The administrative arrangements can get rather complicated and must, in every case, be adapted to local circumstances.

COMPREHENSIVE MODEL FOR NATIONAL AND REGIONAL PLANNING



Changing Portuguese Planning towards a system with a more balanced regional and sectoral administration



The present system is characterized by high centralization of power at the level of the central planning organs (ministry of planning finance, construction, etc.).

The changes would lead towards a system of government whereby regional and local organs would not be the prolongation of the central government departments but partners in the planning process.

Even as an internal, administrative approach, however, the regionalized national budget has many uses. It results in a good deal of intersectoral consultation; it helps to focus attention on the regional consistency of sectoral programmes; it serves to highlight the requirements of certain projects that are of national importance; it heightens awareness of the systemic character of interregional relations; and it allows for tests of interregional balance in the programming of national investments. The regionalized national budget certainly does not lower the efficiency of resource use; quite possibly, it succeeds in raising it. All in all, it is a hopeful beginning.

Regional development planning, as a component of Portuguese national planning, is a very recent innovation. No one would deny that many problems of a conceptual and practical nature remain to be solved. But the base already exists for the country, wishing to achieve the maximum beneficial effects from its development programmes, to undertake a regionalization of the development effort. A growing body of theory exists; major policy issues for regional development have been identified; good analytical techniques can be applied to furnish a factual basis for spatial planning; there is a wide array of implementing tools; sufficient experience has been gathered to distil from it a number of principles for the implementation of regional policies.

4. CONCLUSIONS

After the foregoing chapters it only remains to draw attention to certain more important tendencies of the Portuguese regional development process to date in order to point out the fields of research of particular significance.

1. MAIN TENDENCIES IN PORTUGUESE REGIONAL DEVELOPMENT

Relatively recent industrialization has caused great changes within the demographic and social structure of Portugal. The factors determining the new social structure have been changes in ownership, increased employment in non-rural activities and the expansion of public services. The urbanization and the ruralization processes have generally been interwoven, sometimes in the same and sole category of persons, as it was the case with the peasant-workers. In such a society in transition a good many social problems arise, among the most prominent being those resulting from emigration, from internal migratory movements and related adaptation difficulties. Conflicts with the traditional way of living, and with moral and cultural standards have been inevitable owing to the large scale transfer of man-power from the villages to towns.

Regional development policy is officially and theoretically held to be an integral part of socio-economic development as a whole. This point of view is based both on the fact the territorial and sectorial mobility of capital formation makes it possible to integrate regional in over-all development and on the opinion that social and economic phenomena form as indivisible whole.

The treatment of regional policy as a dimension of over-all development entails:

- i) the inclusion of all fundamental aspects in a logical and consistent model and
- ii) co-ordination of the regional and over-all policy. The time has been too short to allow for the fulfilment of all the conditions for the constitution of over-all policy on this basis.

The policy of regional development has accentuated three main issues: a) the development of underdeveloped areas, b) the prevention of both the excessive activity and population concentration in large towns and c) the need for regional planning at the local and regional levels.

Too little attention has been paid to the advanced and the depressed regions owing to inadequate comprehension of regional policy. The same can be said of interregional relations, the role of migration within regional development, growing points, river valleys and border line regions. Until these standard problems have found an appropriate place in regional policy, it is unlikely that new problems will be tackled. Nevertheless, the new problems: development axes, agglomeration systems, conditions of living, water supply, air pollution, urban noise, etc. are becoming more acute every day.

Urbanization policy has concentrated attention almost exclusively on large cities (especially Lisbon and Porto), while consideration of interurban hierarchical relations, on the one hand, and integration between urbanization and regional development, on the other, have been regarded as of secondary importance.

The appraisal of this inadequate grasp of policy aims would be incomplete if care were not taken to stress the increasing interest in a comprehensive enrichment of regional policy. The greater emphasis laid on the regional aspect stems, from the tendency to treat both regions and sectors alike. These tendencies, however, come up against theoretical and methodological difficulties. The solution of the problems involved in the integration of the regional in the global development of the economy or in the determination of the optimal relation between regional and sectorial growth demands much effort in Portugal. As a result of rapid industrialization a higher priority has been given to sectorial considerations, and this is reflected in a corresponding organization of the economy and institutional solutions.

The Portuguese planning used to treat the regions more as a matter of economic policy; the question was one of finding how the natural and human resources in single regions should be utilized in order to achieve better yields within the development of the economy as a whole. There is no objection to pursuing the development of the economy as a whole, but it is only one side of the problem. Other effects, less often foreseen, are

related to the development of the region itself. Central planning endeavours to cover all economic and social phenomena, but central organs obviously cannot appreciate all regional situations. Centrally made single decisions about the allocation of productive and unproductive investments are fortunate or less fortunate combinations within the economy of the regions. It is thus very difficult, starting from the circumstances of the region to promote its optimal development,

In the treatment of regions as an object, there is a tendency to overlook regional development. The regions are rather the space over which economic activities are scattered than individual units with their own particular structure. The grounds for allocation are not so much the territorial distribution of growth poles initiating the cumulative process of development within the entire structure of the region as the individual cost of each single enterprise. The paradox is revealed through the efforts made by the central organs to keep decision-making in their hands so as to apply social criteria. In practice this becomes allocation and disaggregation of plans through the single investment decisions.

The treatment of regions as a subject, i.e. as a closed structure, represents another kind of onesidedness. As far as regional development is concerned, such an approach offers more possibilities for the coordinated development of activities within the region, but it does not overcome the drawbacks connected with individual decision-making or investments. The biggest handicap results from the difficulties connected with the co-ordination of sectorial development within the regional economy as a whole and from the appearance of tendencies to regional autarchy. Anyhow, it has to be kept in mind that, as it is generally recognized, the optimal development of the economy as a whole is not equal to the maximum rate of growth in the various regions.

Experience has revealed that the treatment of regions either as object or as subject has led to onesidedness involving either neglect of the regions or sectorial co-ordination within the economy as a whole. In other words, in insisting on co-ordination by central organs, regional initiative is suppressed, with a corresponding deterioration in the co-ordinated development of all activities within the region. On the other hand, providing that possibilities are afforded for the development of initiative in the regions, co-ordination of sectorial policy in relation to the economy as a whole has to be taken into account.

An optimal relation with respect simultaneously to both sectors and regions, i.e. to both initiative and co-ordination, has not been attained in practice so far. Co-ordination between sectorial and regional policies at the central level has crucial significance. At that level, coordination is only partially achieved because inadequate regional representation is unable to counterbalance the powerful sectorial organs. The co-ordinating bodies, for instance, the council of ministers, occasionally dealt with these issues. But even now the established regional bodies are to a great extent ignored because they did not act as centres with political power.

In spite of the efforts made by existing regional bodies and councils, co-ordination at the regional and local levels failed to give completely satisfactory results. These efforts have been hampered by the lack of co-ordination within the central bodies, and particularly by the fact, that vital investment decisions which could be potential poles of development, were made outside the regions. Action within the competence of the regional and local bodies, respectively, could correct but not remove this defect.

The two types of onesidedness mentioned above had certain sociological implications. Greater harmony of interregional interests appears to be achieved through a central planning office. But, regional interests exist as well. Indeed, the field of subjectivity in the process of decision-making is very wide. Sometimes it is very difficult to make regional interests conform with the customary norms of behaviour. The question of everyday conflicts could be solved through decentralization and the market mechanism. Anyway, in that respect the phenomena of regionalism, localism and autarchy are evident.

Regional policy is to a great extent determined by the socio-economic development model. Unbalanced growth has been caused by the chain of priorities. The production and within it the industry of scale has "coloured" all relations in the economy and society. Insisting on the priorities and on overcoming the tensions arising therefrom has strengthened the position of central bodies in decision-making. On the other hand, in fixing the priorities more attention was paid to the sectors, which means that the regions were pushed into the background. Indivisibility of infrastructure, production, consumption and social development could not be realized owing to the unbalanced growth. The connection between the various sectors and branches has consequently remained re

latively weak within the regions. Neither was there adequate co-ordination between them or among the central bodies and this lack of co-ordination has had different repercussions throughout the regions. It should be noted also that production and consumption have been to a great extent disunited, too.

All these features of unbalanced growth have had far-reaching repercussions on the regions. As a result of the basic dilemma between the policy of equalization and the desire to maximize production, tending to favour allocations to already developed regions and urban centres, regional policy has fallen into a kind of chronic pragmatism. The fact that every decision on the allocation of an activity originally had a territorial dimension does not mean that it was regionally justified.

Partly overshadowed by sectorial development, regional policy is just setting out on its own to become a single, over-all and consistent whole. Much effort will be necessary to achieve fuller integration of economic and social development. All the bridges have not yet been built between the two. The problem stems from the question whether the development of public services is to be functionally connected with the growth of regional economies. This means that public services are to be considered as a factor with a bearing on the equalization of social conditions, i.e. as a factor creating the preconditions of overall development. There are still many gaps between regional development, urbanization and physical planning which have to be filled in.

2. REGIONALIZATION FRAMEWORK AND THE DIFFERENT LEVELS OF REGIONAL POLICY

Progress of the means of communication - transport, telecommunications, mass media - which increases mobility, human relations, interdependence and need for cooperation - has sharpened the sense of solidarity and thereby developed a certain community conscience at different levels of society - local (municipal), regional, or national level - whereas, till a recent time, the national level had always been the privileged dimension.

This development of inter-relations, the interlocking of interests, the sense of community and also the vital necessity for modern society to develop its capacity for looking ahead, have

given a strong impetus to the practice of programming, coordinating and planning, thus creating, both at local and national level, new functions such as formulating policies for regional planning, town planning, regional development, etc. Those functions in turn require the cooperation of competent authorities and bodies at the different levels, particularly on a regional basis.

Recently interest in regional development has greatly increased in Portugal. It would be no exaggeration to say that regional development is now winning new and fuller recognition. The reasons for this have to be sought partly in the more forcible expression of interest by the regions and in the greater concern of the population with the destiny of the region where they live. The importance of the present position should not be overlooked. On the other hand, the last two decades of socio-economic development show that the problems of regional development have been only partially solved. The existence of problems put pressure on official organs to seek their complete solution, offering simultaneously an opportunity for and support to the scientific institutions to increase their research activity.

The reason for regional planning has been the strong need for economic and social development, which has led to accentuation of the planning tasks at different levels of administration. The policy of regional development has direct and straight association with regional planning. Initially the need for physical planning for a territory - the land use and resources planning - was perhaps the most important. At present regional planning is generally conceived as comprehensive planning, i.e. the combination of physical, economic, social and technical infrastructure planning which aims at significantly influencing the pattern of development at the regional and interregional level.

On the other hand, regional planning is characterized by a concern with the clarification of objectives in the ordering of regional activities. Primarily a preparatory phase in the decision-making process of the society, planning is oriented towards the future and strives for comprehensiveness of policy and programs.

Legal basis for regional planning is legislation concerning town and country planning, regional development, nature conservation, etc. The development policies for larger socio-economic regions demand a number of acts and rules to promote economic expansion, to provide financial grants and other incentives, to combat structural unemployment, to erect new industries, to encourage local action.

However, in spite of the several kinds of regional policy instruments, it is difficult to understand regional policies except in the framework of the institutional structure and the decision-making distribution. Regional planning thus appears as an instrument for change within existing administrative systems. This function of is clear both in countries whose administrative organization is still largely inherited from the nineteenth century and in those where the organization is more modern but has to be adapted to social and economic developments.

The regional framework makes it possible to draw up overall plans in which all the potential of the region for implementing any development policy can and must be coordinated (industry, agriculture, commerce, tourism, finance, energy, communications, amenities, housing, education, vocational training, etc.).

The chief element in such overall plans is the regional planning project which will ensure that the desired overall expansion will proceed along balanced and harmonious lines and especially that it will allow backward rural areas to "catch up".

If the organization of a regional policy cannot be conceived of outside the framework of an overall regional plan, integrating revival measures into an overall regional expansion policy, it cannot be conceived of either without the participation of populations themselves through the agency of local municipalities.

The municipalities and, especially, groups of municipalities, will be the prime agencies for the participation of populations. Municipal authorities and populations must be recommended to consider the advantages in co-ordinating their efforts and pooling their resources within an intermunicipal and supramunicipal framework. Cooperation between municipalities is a precondition of any use of the resources available to small municipalities. Such groups will also provide the framework for any joint action undertaken in cooperation with regional and national institutions.

The problem of the region must be looked at particularly from the point of view of relations with the central government and with local authorities. The organization of these relations in the field of planning not only affects the setting of territorial boundaries and the determination of competences, but also leads to a re-examination of the whole complex of administration.

Regional development and planning have in practically all countries become a central government or/and a higher self-government responsibility. In practice regional policy is exercised on many levels of intermediate government; regional level is an intermediate level between central government and local government. It is useful to speak of regional policy at the higher (central-interregional) level, at the lower (local-municipal) level and at the intermediate (region) level. Regional planning really means the planning, at different levels, of our society.

This aspect is further analyzed by Hilhorst:⁽⁴⁸⁾ "...If, however, decentralization is feasible, it would seem that the following division of tasks can be implemented:

- i. the national authorities are responsible for policy preparation, policy making and policy execution that affect the country's national and international activities;
- ii. the intermediate level of government is responsible for policy preparation, policy making and policy execution that affect the country's regional activities;
- iii. the lowest level of government is responsible for policy preparation, policy making and policy execution that affect the country's local activities.

This division of tasks implies that the first three stages of the planning process - the macro, sector and interregional stages - are the responsibility of the national level control sub-system; that the regional stage would have to be carried out by the regional authorities and the local stage by local authorities. The responsibility for projects related to national and international activities would thus rest with national authorities, and that for projects concerning regional and local activities would be given to regional and local authorities respectively."

On the other hand, a universal problem seems to be the integration of sectoral and regional planning. Regional representatives of operating ministries generally want to refer back to their head offices in the capital causing thus serious delays. Budgets for infrastructure may be administered in part by the mi

nistries, and though they may emphasize development in less-endowed regions, there is no guarantee for combined efforts. It is very difficult to coordinate at the regional level such policies of central government and its regional branches as education, housing, public works and monetary and fiscal measures with regional development policy and planning.

As regards the traditional units of intermediate government, initiating of regional planning and the problems presented above have made it necessary to reform the activities of these authorities and also to concentrate the central government's responsibilities to the "Regional Commissions", which provide good possibilities for coordination.

Thus, we can consider two distinct sources of inspiration in Portuguese current preoccupations with regional planning. First, there seems to be little doubt that the concepts of "Region" and of "regional planning" are inextricably tied up with the aspirations for a "New Society". Secondly, there seems to be a widespread conviction that the reforms of regional planning and regional administration are a first step on the way to the regionalization of the new society. There seem at least to be important coincidences. For example, the fulfilment of the wider aspirations for a New Society seem to require:

- a more effective distribution of economic prosperity. New techniques of ensuring the growth of backward regions and the decongestion of metropolitan areas are a common desideratum;
- effective grant of the power of decision both in planning and command of financial resources. The regional context seems to offer the best level for devolution both administratively and in decision-making; and
- a widening of the scope of regional planning to coordinate measures of a social or cultural character with those falling within the traditional spheres of economic and physical planning. Again, the Region seems to offer the best unit for future development in all aspects of coordination.

In order to satisfy the objectives of regional development clarified in this manner the need for reform of the structure

res became increasingly necessary. Two complementary requirements became apparent, among others: firstly, greater decentralization of decisions within the institutional apparatus and secondly, horizontal coordination in order to break up the vertical compartmentalizations and to create in that way the conditions for a better synthesis capable of inspiring better decisions.

The increased interest in regional development is the starting point for an appraisal of its present status and prospects. Such interest allows us to assume that the solving of the problem will be tackled with increased determination. A list of the principal topics to be answered by the co-ordinated efforts of central organs and scientific institutions has been drawn up. In listing these questions and seeking the answers to them, the intention is to give regional development the place due to it; i.e. to inaugurate an over-all regional policy as a coherent part of the development of the economy as a whole. In pursuit of this aim, attention is being concentrated on the pertinent institutional problems and, first of all, on the coordination of regional and sectorial development at the national, regional or local levels.

In a broader sense, this coordination comprises the integration of regional plans within the global development of the economy and vice versa: the social and economic aspects of development integration, in addition to the conditions relating to regional development urbanization and physical planning. Consideration of the crucial institutional aspect includes inevitably that of the other issues: the existence of long-term plans, the distribution of functions among the appropriate actors, adequate participation of the regions in decision-making, the determination of the optimal relation between initiative and coordination etc. It should be noticed that consideration of these aspects is not just beginning and that considerable contributions have already been made towards the attainment of a satisfactory solution.

2.2. THE INSTITUTIONAL REFORM

Thus, there is a necessity to create regional structures, able to revive local initiative, and to counter the process whereby wealth and power become concentrated around the central

institutions. It will arouse at the same time a certain regional awareness, contributing in this way to the awakening of regional communities and the growth of a desire to see wealth shared equitably between the regions,

Clearly, we are faced with a phenomenon whose significance goes far beyond national frameworks. Using a fashionable phrase, we are confronted by an institutional change which corresponds to the "second phase of the industrial revolution".

In all countries, the new responsibilities of the government at the regional level have repercussions on its traditional organization. In spite of all the national peculiarities all these reforms are similar in origin: certain new regional tasks no longer fit into the traditional organization.

If the facts are considered more closely, it can be seen that the new regional tasks are, in essence, those connected with "aménagement du territoire" and regional economic activity. Everywhere the attempts made by the governments to perform these new tasks are being hindered by the territorial organization of the responsible departments.

Two types of problems have to be distinguished:

- What changes in the territorial framework structures can be expected?
- What effects will these have on the institutional organization?

This distinction is fundamental. The first set of problems are exclusively those concerning division of territorial units. They have nothing to do with the second set of problems which are related to the organization of the new institutional units, and deal with the question whether they have specialized or general purposes, whether their function is merely to serve as frameworks for state services or whether they can be granted autonomy etc.

In view of the fact that all human activity is carried on within a certain geographical area, the institutional organization has always been linked with the problem of space however its territorial structure may have been conceived. Thus it can be understood why, in many European countries, realistic observers

point out that the reforms now in progress are not a revolution in the organization of administration, but merely an adaptation of that organization to its new responsibilities.

When the new attributes of regional services began to develop, the specialization of administration might have appeared preferable. But once planning has been accepted as necessary, institutional coordination acquires a new importance. If therefore in European countries, regional policy must be the subject of increasingly detailed planning, it will be necessary to ensure an ever increasing amount of coordination between the different services. Loose forms of coordination will give way to more solid structures.

The same difficulties can be foreseen within the framework of planning, if plans are drawn up and carried out at different levels and are not under the responsibility of the same authorities. As soon as it is deemed necessary to standardize the concept of execution in identical territorial frameworks, it will be essential to abandon diversity as far as administrative districts are concerned.

For the moment, it must be remembered that if there is a desire to achieve the two objectives of coordination and the participation of citizens in public life, the tendency towards the setting up of institutional units with a more general task is bound to increase. The region should be competent to provide certain facilities of particular importance to it and to administer them and also other institutions. One can thus conceive of a region providing for certain road and water transport links, education, hospitals and public health and socio-educational amenities. It is also conceivable for the region to administer regional public establishments connected with the water supply, sanitation, transport, etc.

But in Portugal, the organization of administrative framework raises a problem which is not directly linked with the special features of the geographical area with which it is concerned: that of decentralization. Should the various administrative units enjoy or not, a certain autonomy as far as the central government is concerned?

In other words, the question can be presented in the following terms: Does "aménagement du territoire" policy and that for regional economic activity require or not a greater de-

gree of decentralization to be effective? If the reply be in the affirmative, regional Portuguese reform will have to lead to a greater degree of decentralization. If not, the tendency to cling to the present system will have disastrous consequences in that the new "aménagement du territoire" policy will only partially achieve its objectives or do so very slowly.(49)

But, the general tendency is to consider that regional planning policy requires a fairly high degree of decentralization. On the other hand, planning and decentralization no longer seem to be in opposition and are no more than two terms giving expression to an alternative. On the contrary, the complexity of modern administration requires that these problems of decentralization and planning be studied in a more flexible and varied manner. It seems that the development in progress is following a similar pattern in all European countries.

According to that pattern, planning would be prepared and implemented by structures with the different decentralized levels in hierarchic order so that each plans and carries out no more than what is strictly necessary, leaving to lower levels to carry out the rest of the overall programme. This general framework would thus be in step at each level with adequate autonomy so that it could display initiative but would not be granted absolute independence. This, is the basic principle of the conferring of national powers on the region, without depriving the local authorities of their powers in any way.

Thus, there is a twofold need to confer powers on the region and to decentralize an excessively tentacular central power. A reform would otherwise not be only ineffectual but in fact harmful, as the region would only be a supplementary intermediate entity adding to the administrative unwieldiness already so justly criticized. Mere deconcentration would not resolve the problem and would not produce the effects we can expect from a reform aiming at simplification.

The existence of strong regional structures is thus a precondition of any large-scale action. However, only decentralized regional structures are capable of reviving a spirit of local initiative, together with the regional community spirit in individuals.

On the political and administrative level, strong decentralized regional structures imply the existence:

- of elected regional assemblies with the power to create resources and especially to levy taxes;
- of regional executives responsible to the former especially competent to draw up regional development plans and regional planning projects;
- of regional councils, representing the various professional, social and cultural bodies consulted by assemblies and executives, especially in the preparation of plans.

It is clear that such autonomous regional authorities would be virtually powerless if they did not possess the necessary legislative and financial means to ensure, themselves, implementation of the action and development implied in their plans.

Regional reform must not result in a simple redistribution of powers, but rather in a new way of exercising these powers. This reform must be the beginning of a reorganization of the country, enabling citizens to assume their responsibilities and cease to be just objects of administration. Thus, it becomes clear the importance for a "Regional Planning Act" regulating and conferring legal power to the regional actions - regional and local development plans, administrative interdependence between the different unities of the region, etc. -, the aim being to ensure real competence and power at the regional and local level.

On the other hand, such legislation cannot be done without complete replanning of financing problems, especially:

- those of the financial systems and tax equalisation (regional and local level);
- of credits, subsidies and assistance from the state or public organizations;
- and with the cooperation of free enterprise.

2.2. On the other hand, analyzing the european regionalization experience, we find two seemingly contradictory trends in the development of regional structures: whereas regionalization aims at dividing the territory of a country into large regional units with a certain amount of autonomy, at the level of communes, on the other hand, we find a pronounced trend, either directed or spontaneous, towards regrouping or at all events towards association of communes for particular purposes.

The contradiction is apparent only. A region is hardly viable unless it is of a given size and has some economic and political cohesion around a central nucleus. A municipality itself cannot maintain its autonomy without having a measure of efficiency which it is difficult to achieve within the restricted limits of former times.

The doctrines varies with each country: in one case we find large scale regrouping imposed by law and in other cases association or amalgamation dictated by the facts of the situation and decided upon by the local authorities concerned wholly upon their own responsibility. In face of such diversity it is difficult, to draw up a model plan.

Small rural authorities are often equipped to conduct their affairs independently since their needs are limited. On the other hand, communes with a bigger population which form the main urban centres cannot do without organic coordination and cooperation. Such partial integration is a prerequisite for local self-government.

The patchwork of old local authority boundaries makes it necessary for the region to intervene constantly to arbitrate, to coordinate, and to provide many kinds of support. Municipalities that are large because they have been grouped or have coordinated their activities provide an excellent guarantee of local autonomy since the viability and vitality of a region are conditioned upon its conherence and its economic potential.

The clear need for reforms in this sector of administrative life results from the development of industrial society. The attraction of towns and industrial and commercial activities, in connection with the emigration phenomenon, left the countryside open to a very pronounced process of "social erosion" which is further accentuated by the change in agricultural structures, as well as in the structure of many other economic activities.

This depopulation of small municipalities in favour of the towns is all the more understandable in that the rural population is now demanding the same type of life as enjoyed by town dwellers. The backwardness of the countryside as compared to the large cities is increasing rapidly in cultural respects. Many public services which the inhabitants of rural municipalities take as their natural right cannot be provided by small municipalities. Thus, the process of Portuguese regional planning will bring about the challenge to local structure faster, especially at regional level.

To prevent the gap between town and countryside becoming even greater, it is essential to improve the possibilities of municipalities in the field of regional policies. The reorganization of rural areas must be carried out on a much larger scale, they must be better supplied with electricity, provision must be made for drainage, communications must be built, together with hospitals and institutions providing social assistance, etc. Better education facilities are particularly essential in order to make the countryside more attractive and to stimulate industrial decentralization.

In order to perform all these tasks, it is essential that the administrative powers of municipalities should be increased. A number of methods are possible here. The most simple is an association of small municipalities in order to administer in common certain local affairs. But European experience has shown that mere cooperation, however useful it might be, is far from being adequate in order to fill the gap which separates the town from the countryside. That is why Germany is endeavouring to re-group its small municipalities into administrative units with at least 5000 inhabitants; it is considered normal that the new "municipal grouping" should have a radius of about 8 km.

Political decisions will naturally be necessary to change the institutional framework in the manner referred to above. Experience in Italy has shown that powerful political opposition is always encountered in the face of such reforms. Such resistance shows clearly the significance of the territorial organization of administration. If the problems concerned were only those of administrative techniques it would be far easier to solve them.

As a rule, local administration itself also offers a certain resistance to reforms, especially when they are aimed at enlarging the units of local administration. Recent developments seem to indicate, however, that the resistance weakens with the passing of time. Nevertheless, the setting up of new local administrative units will meet serious resistance due to a fear of the weakening of existing bodies.

On the other hand, the opposition will also come mainly from the bureaucrats in the central administration. They will maintain that their tasks cannot be correctly carried out by less powerful bodies - especially if these are decentralized. I am unable to share that conviction. If the functioning of local institutions is improved at the same time, that danger is unlikely to arise. Those in favour of the status quo say also that citizens cannot identify themselves with the new bodies, since they are not familiar with them. This argument is always put forward against all types of reform.

However, the development of social phenomena will help to change the general attitude of mind. It is a question of time, and it can be assumed that the development taking place will be made easier by keeping the public better informed of their necessity. Only by arousing public interest more effectively will it be easier to carry through the reforms.

3. THE "ORDENAMENTO DO TERRITÓRIO" POLICY

The preceding chapters of the thesis have shown how regional planning in Portugal has developed from a postwar concert with decentralizing economic activity into a comprehensive framework wherein local, regional, and national public authorities and representatives of major significant groups cooperate in the formulation of "regional programmes".

In evaluating the evolution of the objectives and means which have characterized Portuguese regional planning I have relied in large measure on a general policy model formulated in the light of relevant theoretical and empirical considerations from economic and related social disciplines. One of the basic attributes of this model is its distinction among three types of analytic re-

gions: congested (or metropolitan areas), intermediate and backward. The advantage of these distinctions over the current division between "developed" and "underdeveloped" regions is that they come to grips directly with the problem of overconcentration of population and economic activity in some areas, a problem too often neglected in favor of studying the difficulties experienced by relatively underdeveloped regions. Moreover, the concept of an intermediate region helps to clarify the issue of the opportunity costs of investing in backward regions when there are better alternatives elsewhere from a national and social viewpoint.

Portuguese regional planning was initiated on the basis of a deliberate attempt to deal rationally with spatial resource allocation, namely through the policy of "Ordenamento do Território". In the terminology of the Third Plan, the Portuguese approach maintains that the policy of "Ordenamento do Território" must find a practical compromise between regions depending on a policy of publicly induced growth ("política de arrastamento") and regions depending on a policy of induced public investment ("política de acompanhamento"). On the one hand, it must give every opportunity, under conditions of lively competition, to strong regions whose potential benefits the whole of the country. On the other hand, it must seek to involve the weak regions in a process of development at first induced, then autonomous, in a manner which will enable them to participate in the current of modernization and expansion which characterizes our time.

In this way, in addition to differentiating three types of region, the referred policy model was formulated in terms of three kinds of investment. Private investment and investment in directly productive activities should be considered as synonymous. Public investment, however, should be divided into two components, social (SOC) and economic (ECO).

Investments of the latter type should be specifically aimed at supporting directly productive activities and should include projects such as roads, harbors and power supply. SOC investment, on the other hand, should be more concerned with the development of human resources and includes education, welfare, health, and similar undertakings. While SOC items obviously should contribute to the support of directly productive activities, their impact is more likely to be less tangible than that of ECO investment.

We tried to show that the difficulties of Portugal's lagging regions are in large measure a result of a relative lack

of benefits accruing from SOC investment. This is not to deny that ECO investment in lagging regions will produce advantages, but the effectiveness of such projects also depends on the degree to which the regions human resources have been developed by SOC investment. On the other hand should be shown that in the intermediate regions of the country the greatest relative need with regard to public investment policy is for more ECO.

Therefore, we stressed that while there is official recognition of the needs to provide facilities for training surplus agricultural labor for employment in industry, there has not been adequate emphasis on the general problem of developing the human resources of these areas, despite the multitude of evidence concerning pronounced needs in this regard.

On the other hand, a great deal has been said and written about moving industry and other economic activities to people, but policy-makers generally are more reluctant to urge the movement of people to job sources. Until now official Portuguese policy has been unable to oppose and to diminish the surprising number of rural individually-owned farms in the face of rapid technological change. This attitude, combined with inadequate SOC investment, has served to perpetuate the social and economic structures characteristic of lagging agricultural regions of the center and the north including a surplus agricultural labor force.

One of the principal arguments in favor of moving industry to lagging regions, even at considerable expense in the form of subsidies or similar means, has been that the social costs involved in this type of action are less than the social costs which would entail by the uprooting of persons seeking employment in other regions and by the increased congestion which would result in industrial agglomerations. However, the latter difficulty is not a necessary one, since migration can be channeled to intermediate, rather than congested regions.

On the other hand, the issue of uprooting residents of lagging areas is a genuine problem since there is abundant evidence that the number of persons preferring to live in these regions is high in both absolute and relative terms. Moreover, migration is not feasible for many persons because deficiencies in SOC in lagging regions have limited the development of human resources and thus the possibility for their employment in other regions. Nevertheless, these arguments should not be used to discourage migration, since at the margin there are always persons ready and wil-

ling to migrate from lagging regions. On the basis of Portuguese experience and related determinants of interregional migration patterns, I am sure there should be found a very strong direct relationship between population change in a region, as a result of migration, and levels of living standards and economic opportunity. In this respect, the Fourth Plan's insistence that it is "indispensable that regional development policy facilitate and orient the mobility of the employed population" marks an important advance over the Third Plan, whose principal general objective for the whole of Portugal was to limit emigratory movements.

In general, it may be said that Portuguese regional policy has been facilitated by its distinction among three types of regions, and that its over-all division of effort among the regions so as to induce growth in lagging regions while limiting the growth of the Lisbon region and allowing for the expansion of intermediate regions has been substantially correct. Investment policy within regions, however, should place relatively greater stress on SOC for lagging regions. As to population policy, the new emphasis on encouraging interregional labor migration is a positive step away from the more conservative attitudes which have prevailed heretofore.

If in most of these respects the Fourth Plan has been characterized by definite improvements, it is questionable if this has been the case with regard to the geographical framework which forms the concrete field of application for regional policy measures. More specifically, the new emphasis on a policy of "development poles" has yet to be consistently integrated with the framework of the four planning regions.

3. In any event, it is obvious that the value for policy purposes of development pole theory is related to the actual context in which it is to be applied. In this respect, the creation of a regional organism to related with the formulation of regional priorities and in the regionalization of the government budget should be of particular value in the elaboration of policy ends and means.

Unfortunately, earlier efforts in this direction were characterized by important defects. The programs for regional action which were drawn up as planning guides for the various planning regions generally have been plans in name only. They have been for the most part inventories of regional conditions at a gi

ven time. In addition, they have been deficient in stipulating orders of priority and modes of finance for suggested future.

Nevertheless, they have served to confront the Regional Planning Commissions with the need for horizontal consultation and coordination in regional terms as a complement to vertical planning by sectors, and they have marked an initial, if not always successful, attempt to encourage cooperation among ministries and departments on common problems.

Thus, ~~in order to~~ ^{in the} satisfy the objectives of regional development discussed/foregoing, the need for reform of the structures - or at least changes in the institutional apparatus - become increasingly necessary. To avoid "sprinkling" of public funds it is not enough just to introduce new methods into the organizational bodies concerned; it becomes clear that something has to be done about the decision-making structures themselves. Two complementary requirements become apparent among others:

- firstly, greater decentralization of decisions within the institutional apparatus and greater participation of people.
- secondly, horizontal co-ordination in order to break up the vertical compartmentalizations and to create in that way the conditions for a better synthesis capable of inspiring better decisions.

Just now a new development Plan for Portugal is in preparation covering the period 1974-1979. Considering the methods of planning which have been employed in the country, one could advance that improvements in the planning process should take place both in the formulation of the plans and in their implementation.

On the one hand, the appearance of new and complex problems bound up with the development of techniques and industries imply decision-making and executive methods at different levels from the traditional ones. A striking example is offered by the problems of urbanization and the development and physical planning techniques that these problems call for. Changes of every order follow from this, notably in the institutional field: the Portuguese district, though valid at the time when it was created, no longer corresponds to the dimensions of the current problems.

On the other hand, the technical progress in liberal societies bestows enhanced power on the decision-makers. Having regard to the very high degree of sophistication of decision-making techniques, a gap is being created between the decision-makers and the masses. This is to some extent the challenge of technical progress to modern democracy.

This set of factors has given birth to a lively desire to restore the structural balance, to institute participation by the citizens which at the same time explains the phenomenon of the region.

4. Finally let us emphasize that by the existence of a strategy for remodelling the structure of the country's spatial system and the regional planning agencies, two important conditions are already fulfilled in order to start with tasks of regional planning.

First of all, as far as the regional programming of sectoral investment is concerned, the strategy above-mentioned gives the criteria to be used in the decision-making process, in accordance with priorities in space and time under a wide viewpoint of different alternatives for the whole country. Those priorities favour also a comprehensive coordination between different sectors in order to attain a geographic coherence in the resource allocation,

On the other hand, regional bodies have to play an important role in the organization of channels through which the regional interests should be introduced into the process of planning. In this way, the regional planning committees are supposed to send to the national level (sectoral agencies and central agency) their own proposals concerning the investment projects and the regionalization of the national policies. So, by means of these information channels, one could try to achieve a better integration between national objectives and regional ones, not only in terms of technical national criteria but also by appealing to regional participation in the preparation of decisions. The beginning of this process seems to be of paramount importance not for reasons of its immediate results in regional programmes, but rather to improve gradually the conditions in those fields of information channels and regional participation, under which the interregional plan formulation will have to take place, namely for the preparation and implementation of the IV Development Plan (1974-1979).

SUMMARY

1. Like many other countries, Portugal is facing numerous major problems related to regional unbalance and consequently to the location of economic activity. An unfortunate tendency has long been to judge an economy almost solely from the viewpoint of national production and consumption aggregates, without reference to the geographic division of economic activity.

However the questions of social justice in the distributions of the fruits of economic development are as important and as different in terms of regions as in terms of social classes.

Thus, at the present, increasingly attention is not being limited to the overall results of national development; the results are being accepted as satisfactory only if they concern the whole of the country, if each region is able to contribute to and participate in the national growth.

On the other hand, Government activity to guide economic and social development involves not only the activity of policies and programmes but also the closely related process of formulation of goals and means and of appraisal of the results.

If planning for regional development is intended to intervene realistically upon reality, it should be a continuous process in which the various units and levels of government subject the entire process to continuous review and evaluation leading to adjustment of plans, programmes and projects whenever necessary. Review and evaluation then form the transition to a new cycle of planning and decision making, moving ahead in time on the basis of a continuous stream of feedback information. At the same time, the fact is stressed that planning is actually a combination of plan formulation and plan implementation.

Institutional framework, in the modern sense of the process of achieving intended results through organizations, is a major factor at all levels - national, regional, sectoral and local. There was a time when proposals for new development projects - particularly large programmes for resource development, new industries, improved education and health services - were considered only in terms of economic and technical feasibility. After many unfortunate failures, institutional feasibility has come to be recognized as also an important dimension of planning.

For evaluating the evolution of the objectives and means which have characterized Portuguese regional planning I rely in large measure on a general policy model formulated in the light of relevant theoretical and empirical considerations from economics and related social science disciplines.

One of the basic attributes of this model is its distinction among three types of analytic regions: congested, potential, and backward. The advantage of these distinctions over the common division between "developed" and "underdeveloped" regions is that they come to grips directly with the problem of overconcentration of population and economic activity in some areas, a problem too often neglected in favour of studying the difficulties experienced by relatively underdeveloped regions.

The circumstances which have given rise to the evolution of Portuguese regional policy are compared with the assumptions of this basic model. Attention is given to the basic theoretical notions that have animated Portuguese thought concerning regional development and urban-rural integration, as well as to concrete measures which have been undertaken or which are envisaged for the future.

On the basis of these considerations an effort is made to formulate a number of generalizations regarding the potential strengths and difficulties of regional planning policy-making and a number of operationally feasible proposals are set forth for dealing with the difficulties.

2. Portuguese regional planning was initiated on the basis of a deliberated attempt to deal rationally with spatial resource allocation, namely through the policy of "ordenamento do território".

In the terminology of the Third Plan, the Portuguese approach maintains that the policy of "ordenamento do território" must find a practical compromise between regions depending on a policy of publicly induced growth and regions depending on a policy of induced public investment. On the one hand, it must give every opportunity, under conditions of lively competition, to strong regions whose potential benefits the whole of the country. On the other hand, it must seek to involve the weak regions in a process of development at first induced, then autonomous, in a manner which will enable them to participate in the current of modernization and expansion which characterizes our time.

I try to show that the difficulties of Portuguese's backward regions are in large measure a result of a relative lack of benefits deriving from social investment. This is not to deny that economic investment in backward regions will produce advantages, but

the effectiveness of such projects also depends on the degree to which the regions' human resources have been developed by social investment.

Therefore, I stress that while there is official recognition of the needs to provide facilities for training surplus agricultural labor for employment in industry, there has not been adequate emphasis on the general problem of developing the human resources of these areas, despite the multitude of evidence concerning pronounced needs in this regard.

On the other hand, a great deal has been said and written about moving industry and other economic activities to people, but policy-makers generally are more reluctant to urge the movement of people to job sources. Until now official Portuguese policy has been unable to oppose ^{growth of a} and to diminish the surprising number of rural individually-owned farms in the face of rapid technological change. This attitude, combined with inadequate social investment, has served to perpetuate the social and economic structures characteristic of backward agricultural regions of the center and the north including a surplus agricultural labor force.

One of the principal arguments in favour of moving industry to backward regions, even at considerable expense in the form of subsidies or similar means, has been that the social costs involved in this type of action are less than the social costs which would entail the uprooting of persons seeking employment in other regions as well ^{as} the increased congestion which would result in industrial agglomerations. However, the latter difficulty is now a necessary one, since migration can be channeled to intermediate or potential, rather than congested regions.

On the other hand, the issue of uprooting residents of backward areas is a genuine problem since there is abundant evidence that the number of persons preferring to live in these regions is high in both absolute and relative terms. Moreover, migration is not feasible for many persons because deficiencies in social investment in backward regions have limited the development of human resources and thus the possibility for their employment in other regions. Nevertheless, these arguments should not be used to discourage migration, since at the margin there are always persons ready and willing to migrate from backward regions.

In general, it may be said that Portuguese regional policy has been facilitated by its distinction among three types of region, and that its over-all division of effort among the regions so as to induce growth in backward regions while limiting the growth of the Lisbon region and allowing for the expansion of potential regions has been substantially correct. Investment policy

within regions, however, must place relatively greater stress on social investment for backward regions. As to population policy, the new emphasis on encouraging interregional labor migration is a positive step away from the more conservative attitudes which have prevailed heretofore.

3. In any event, it is obvious that the value of the Portuguese regional development policy is related to the actual context in which it is to be applied. In this respect, the creation of regional organisms to participate in the formulation of regional priorities and in the regionalization of the government budget are of particular value in the elaboration of political ends and means.

Unfortunately, earlier efforts in this direction were characterized by important defects. The programs for regional action which were drawn up as planning guidelines^{for} the various planning regions generally have been plans in name only. They have been for the most part inventories of regional conditions at a given time. In addition, they have been deficient in stipulating orders of priority and modes of finance for suggested future projects.

Nevertheless, these programs have served to confront the Regional Planning Commissions with the need for horizontal consultation and coordination in regional terms as a complement to vertical planning by sectors; they have marked an initial, if not always successful, attempt to encourage cooperation among ministries and departments on common problems..

Thus, in order to satisfy the objectives of regional development foregoing discussed, the need for reform of the structures - or at least changes in the institutional apparatus - become increasingly necessary. To avoid "sprinkling" of public funds it is not enough just to introduce new methods into the organizational bodies concerned; it becomes clear that something has to be done about the decision-making structures themselves. Two complementary requirements become apparent among others:

- firstly, greater decentralization of decisions within the institutional apparatus and greater participation of people.
- secondly, horizontal co-ordination in order to break up the vertical compartmentalizations and to create in that way the conditions for a better synthesis capable of inspiring better decisions.

Just now, a new development Plan for Portugal is in preparation covering the period 1974-1979. Considering the methods of planning which have been employed in the country, one could ad-

vance that improvements in the planning process should take place both in the formulation of the plans and in their implementation.

On the one hand, the appearance of new and complex problems bound up with the development of techniques and industries imply decision-making and executive methods at different levels from the traditional ones. A striking example is offered by the problems of urbanization and the development of physical planning techniques that these problems call for. Changes of every order follow from this, notably in the institutional field: the Portuguese district, though valid at the time when it was created, no longer corresponds to the dimensions of the current problems.

On the other hand, the challenge hurled by technical progress at liberal societies bestows enhanced power on the decision-makers. Having regard to the very high degree of sophistication of decision-making techniques, a gap is being created between the decision-makers and the masses. This is to some extent the challenge of technical progress to modern democracy.

This set of factors has given birth to a lively desire to restore the structural balance, to institute participation by the citizens, which at the same time explains the phenomenon of Portuguese regional planning.

1. The first part of the document is a letter from the President of the United States to the Congress, dated January 3, 1862. It is a very important document, as it contains the President's views on the state of the Union and the progress of the war.

2. The second part of the document is a report from the Secretary of the War Department, dated January 10, 1862. It contains a detailed account of the military operations of the Army during the year 1861.

3. The third part of the document is a report from the Secretary of the Navy Department, dated January 10, 1862. It contains a detailed account of the naval operations of the Navy during the year 1861.

4. The fourth part of the document is a report from the Secretary of the Department of the Interior, dated January 10, 1862. It contains a detailed account of the operations of the Department during the year 1861.

5. The fifth part of the document is a report from the Secretary of the Department of the Treasury, dated January 10, 1862. It contains a detailed account of the operations of the Department during the year 1861.

6. The sixth part of the document is a report from the Secretary of the Department of the State, dated January 10, 1862. It contains a detailed account of the operations of the Department during the year 1861.

7. The seventh part of the document is a report from the Secretary of the Department of the War, dated January 10, 1862. It contains a detailed account of the operations of the Department during the year 1861.

8. The eighth part of the document is a report from the Secretary of the Department of the Navy, dated January 10, 1862. It contains a detailed account of the operations of the Department during the year 1861.

9. The ninth part of the document is a report from the Secretary of the Department of the Interior, dated January 10, 1862. It contains a detailed account of the operations of the Department during the year 1861.

10. The tenth part of the document is a report from the Secretary of the Department of the Treasury, dated January 10, 1862. It contains a detailed account of the operations of the Department during the year 1861.

11. The eleventh part of the document is a report from the Secretary of the Department of the State, dated January 10, 1862. It contains a detailed account of the operations of the Department during the year 1861.

12. The twelfth part of the document is a report from the Secretary of the Department of the War, dated January 10, 1862. It contains a detailed account of the operations of the Department during the year 1861.

13. The thirteenth part of the document is a report from the Secretary of the Department of the Navy, dated January 10, 1862. It contains a detailed account of the operations of the Department during the year 1861.

14. The fourteenth part of the document is a report from the Secretary of the Department of the Interior, dated January 10, 1862. It contains a detailed account of the operations of the Department during the year 1861.

15. The fifteenth part of the document is a report from the Secretary of the Department of the Treasury, dated January 10, 1862. It contains a detailed account of the operations of the Department during the year 1861.

16. The sixteenth part of the document is a report from the Secretary of the Department of the State, dated January 10, 1862. It contains a detailed account of the operations of the Department during the year 1861.

17. The seventeenth part of the document is a report from the Secretary of the Department of the War, dated January 10, 1862. It contains a detailed account of the operations of the Department during the year 1861.

18. The eighteenth part of the document is a report from the Secretary of the Department of the Navy, dated January 10, 1862. It contains a detailed account of the operations of the Department during the year 1861.

SAMENVATTING

1. Zoals vele andere landen heeft Portugal te maken met talrijke grote problemen met betrekking tot het niet in evenwicht zijn van de regio's en diensengevolge ook tot de plaatsbepaling van de economische activiteit. Een ongelukkige tendens heeft lange tijd bestaan om de economie bijna alleen te beoordelen vanuit het oogpunt van nationale produktie- en consumptie-eenheden, zonder te refereren aan de geografische indeling van de economische activiteit.

De problemen van de sociale rechtvaardigheid bij de verdeling van de "vruchten" van de economische ontwikkeling zijn echter even belangrijk en even verscheiden met betrekking tot de regio's als met betrekking tot de sociale klassen.

Daarom wordt tegenwoordig de steeds toenemende aandacht niet beperkt tot de globale resultaten van de nationale ontwikkeling; de resultaten worden als bevredigend aanvaard, alleen als zij het gehele land betreffen, indien iedere regio kan bijdragen tot en deelnemen aan de nationale groei.

Aan de andere kant brengt de activiteit van de regering om leiding te geven aan de economische en sociale ontwikkeling, niet alleen het werk van beleid en programmering met zich mee maar ook het daarbij nauw betrokken proces van het formuleren van de doeleinden en maatregelen alsmede de waardering van de resultaten.

Als planning van regionale ontwikkeling werkelijk beoogt in te grijpen, zou het een doorlopend proces zijn, waarbij de verschillende eenheden en niveaus van de regering het gehele proces onderwerpen aan voortdurende herziening en evaluatie, die leiden tot het regelen van plannen, programma's en projecten, zo die ook maar noodzakelijk zijn. Herziening en evaluatie vormen dan de overgang naar een nieuwe cyclus van planning en besluitvorming die mettertijd voortgaat op basis van een voortdurende stroom van "feedback" informatie. Tegelijkertijd wordt het feit benadrukt, dat planning feitelijk een combinatie is van het formuleren en uitvoeren van plannen.

De institutionele grondslag van het proces, in de moderne zin des woords, om de voorgenomen resultaten door middel van organisatie te bereiken, is een belangrijke factor op alle niveaus - nationaal, regionaal, in sectors en plaatselijk.

Er was een tijd dat de voorstellen voor nieuwe ontwikkelingsprojecten - in het bijzonder omvangrijke programma's voor ontwikkelingshulp, nieuwe industrieën, verbeterd onderwijs en gezondheidsdiensten - alleen beschouwd werden als economische en technische mogelijkheden. Na vele onfortuinlijke mislukkingen is men tot de erkenning gekomen, dat de institutionele uitvoerbaarheid ook een belangrijke dimensie van planning is.

Voor de waardebepaling van de ontwikkeling van de objecten en middelen, die de Portugese regionale planning gekenmerkt hebben, vertrouw ik in grote mate op het algemeen beleidsmodel dat geformuleerd wordt in het licht van de toepasselijke theoretische en op ervaring gegronde beschouwingen over economische en aanverwante wetenschap-disciplines.

Eén van de grondkenmerken van dit model is het onderscheid tussen drie regiotypes: dichtbevolkte regio's, potentiële of tussenliggende regio's en achtergebleven regio's. Het voordeel van dit onderscheid boven de algemene indeling in "ontwikkelde" en "onderontwikkelde" regio's is dat het direkt betrokken is bij het probleem van overconcentratie van de bevolking en de economische activiteit in sommige gebieden; een probleem dat te dikwijls verwaarloosd wordt ten gunste van het bestuderen van de moeilijkheden, die door betrekkelijk onderontwikkelde regio's ervaren zijn.

De omstandigheden, die aanleiding hebben gegeven tot de ontwikkeling van het Portugese regionale beleid, worden vergeleken met de aanvaarding van dit basismodel. Er moet aandacht worden geschonken aan de theoretische grondgedachten, die het Portugese denken betreffende de regionale ontwikkeling en de stads-plattelands-integratie hebben gestimuleerd, evenals aan de concrete maatregelen die reeds zijn genomen of die in de toekomst onder ogen gezien moeten worden.

Op basis van deze beschouwingen wordt er een poging gedaan een aantal algemeenheden te formuleren betreffende de potentiële krachten en moeilijkheden van de regionale planningsbeleidsvorming en worden een aantal mogelijk uitvoerbare voorstellen uiteengezet om zich met de moeilijkheden bezig te houden.

2. Portugese regionale planning werd begonnen op basis van een weloverwogen poging zich op redelijkerwijze bezig te houden met de toewijzing van de beschikbare ruimte: namelijk door het beleid van "ordenamento do território".

In de terminologie van het Derde Plan houdt de Portugese

benadering vol, dat het beleid van "ordenamento do território" een praktisch compromis moet vinden tussen regio's die afhankelijk zijn van een politiek die de groei stimuleert en regio's die afhankelijk zijn van een politiek die de investering stimuleert. Enerzijds moet elke mogelijkheid aanwezig zijn, op voorwaarde van levendige concurrentie, regio's te versterken, wier potentieel het gehele land begunstigt. Anderzijds moet er naar gezocht worden de zwakke regio's te betrekken in een ontwikkelingsproces, dat eerst in beweging wordt gezet, vervolgens autonoom wordt, op een wijze die hen in staat zal stellen deel te nemen aan de stroom van modernisering en expansie, die onze tijd kenmerkt.

Ik probeer aan te tonen, dat de moeilijkheden van de Portugese achtergebleven regio's in grote mate een gevolg zijn van een relatief gemis aan baten met betrekking tot de sociale investering. Het is niet de bedoeling om te ontkennen, dat economische investering in achtergebleven gebieden voordelen met zich meebrengt, maar de doeltreffendheid van zulke projecten hangt ook af van de graad waarin het arbeidspotentieel uit de regio's ontwikkeld is door de sociale investering.

Daarom benadruk ik dat, terwijl er een officiële erkenning is van de behoeften om te voorzien in de mogelijkheden een overschot aan landbouwwerkkrachten voor werkzaamheden in de industrie om te scholen, er niet evengrote nadruk is gelegd op het algemeen probleem het arbeidspotentieel in deze gebieden te ontwikkelen, ondanks de grote duidelijkheid ten aanzien van de uitgesproken behoeften in dit opzicht.

Aan de andere kant is er veel gezegd en geschreven over het verplaatsen van de industrie en andere economische activiteiten naar de mensen, maar de beleidsvormers zijn over het algemeen nog meer afwijzend over het bevorderen van het doen verhuizen van mensen naar werkgelegenheden. Tot nu toe is het officiële Portugese beleid niet in staat geweest het verrassend aantal grootgrondbezittingen tegen te gaan en te verminderen, in tegenstelling tot de snelle technologische veranderingen. Deze houding samen met de ontoereikende sociale investering heeft er toe geleid de sociale en economische structuren, die karakteristiek zijn voor de achtergebleven landbouwregio's in het centrum en noorden met inbegrip van een overschot aan werkkrachten in de landbouw, te continueren.

Eén van de voornaamste argumenten ten gunste van het verplaatsen van de industrie naar achtergebleven gebieden, zelfs met aanzienlijke uitgaven in de vorm van subsidies en soortgelijke middelen, is geweest, dat de sociale kosten, die dit soort

aktie met zich meebrengt, minder zijn dan de sociale kosten die gemaakt zouden worden door de ontworteling van de mensen, die werk zoeken in andere regio's en door de toegenomen concentratie, die zou uitmonden in industriële agglomeraties. Het laatstgenoemde probleem is echter niet onvermijdelijk sinds de migratie geleid kan worden naar tussenliggende of potentiële regio's, liever dan naar dichtbevolkte regio's.

Aan de andere kant is de ontworteling van de mensen, die uit achtergebleven gebieden komen, een waar probleem sinds het zeer duidelijk is, dat het aantal mensen, dat er de voorkeur aan geeft in deze regio's te wonen, hoog is zowel in absolute als in relatieve zin. Bovendien is migratie niet mogelijk voor vele mensen omdat tekortkomingen in de sociale investering in achtergebleven regio's de ontwikkeling van de mensen hebben beperkt en daarom ook de mogelijkheid voor hun werk in andere regio's. Desalniettemin moeten deze argumenten niet worden gebruikt om migratie tegen te werken daar er altijd mensen klaar staan en bereid zijn om uit de achtergebleven gebieden te migreren.

In het algemeen kan gezegd worden, dat het Portugese regionale beleid wordt vergemakkelijkt door onderscheid te maken tussen drie regiotypes en dat zijn globale verdeling van krachtinspanning onder de regio's om de groei in achtergebleven gebieden te bevorderen en onderwijl de groei van het Lissabon-district te beperken en de expansie van potentiële regio's toe te staan, in hoofdzaak juist is geweest. Het investeringsbeleid binnen de regio's moet echter betrekkelijk grotere nadruk leggen op de sociale investering in achtergebleven gebieden. Wat betreft het bevolkingsbeleid, de nieuwe nadruk, die gelegd wordt op de aanmoediging van interregionale arbeidsmigratie, is een positieve verandering ten opzichte van de meer conservatieve houding die tot nu toe de boventoon heeft gevoerd.

3. Hoe dan ook, het is duidelijk dat de waarde van de Portugese regionale ontwikkelingspolitiek in relatie staat tot het huidige verband, waarin het moet worden toegepast. In dit opzicht is het samenstellen van regionale lichamen, die deel moeten nemen aan de formulering van regionale prioriteiten en aan de regionalisatie van het regeringsbudget van bijzondere waarde voor de uitwerking van beleidsdoelstellingen en middelen.

Jammergenoeg werden eerdere pogingen in deze richting gekenmerkt door belangrijke fouten. De programma's voor regionale aktie, die werden opgesteld als leidraad voor de planning van de verschillende regio's, zijn in het algemeen alleen plannen in naam geweest. Zij zijn voor het grootste deel inventarissen geweest van regionale toestanden in een bepaalde tijd.

Bovendien zijn zij gebrekkig geweest bij het bedingen van voor-rangsoopdrachten en financieringsmethoden voor voorgestelde toekomstige projecten.

Desalniettemin hebben zij ertoe gediend om de Regionale Planning Commissies te confronteren met de behoefte aan horizontale raadplegingen en coördinatie in regionale termen, als een aanvulling op vertikale planning door sectoren en hebben zij een begin - zo niet altijd succesvol - gemaakt om de samenwerking tussen de ministeries en de departementen in gemeenschappelijke problemen aan te moedigen.

Om daarom aan de doelstellingen van de regionale ontwikkeling, die reeds eerder besproken werden, te voldoen, wordt de behoefte om de structuren te verbeteren - of op zijn minst veranderingen in het institutionele apparaat aan te brengen - steeds meer noodzakelijk. Om het verspillen van overheidsfondsen te vermijden, is het niet alleen voldoende nieuwe methoden in de desbetreffende organisatorische lichamen te introduceren; het wordt duidelijk dat er iets gedaan moet worden aan de besluitvormende structuren zelf. Twee aanvullende eisen worden o.a. duidelijk:

- ten eerste: grotere decentralisatie van de besluiten binnen het institutionele apparaat en grotere inspraak van de mensen.
- ten tweede: horizontale coördinatie om de vertikale verdeling te beëindigen en om op deze manier voorwaarden te scheppen voor een betere samenwerking, die geschikt is om betere besluiten te nemen.

Juist nu is een nieuw ontwikkelingsplan voor Portugal in voorbereiding, dat de periode van 1974 tm. 1979 omvat. Met het oog op de planningsmethoden, die in het land worden toegepast, zou men kunnen bevorderen, dat verbeteringen in het planningsproces plaats zouden vinden zowel in de formulering als in de uitvoering ervan.

Enerzijds: het naar voren komen van nieuwe en gecompliceerde problemen, nauw betrokken bij de ontwikkeling van technieken en industrieën, die de besluitvormende en uitvoerende methoden impliceren op andere dan de traditionele niveaus. Een treffend voorbeeld wordt gegeven door de urbanisatie- en ontwikkelingsproblemen én de planningstechnieken, waarom deze problemen vragen. Veranderingen in iedere orde komen hieruit voort, in het bijzonder op het institutionele terrein. Het Portugese district, hoewel bruikbaar in de tijd dat het was ontworpen, correspondeert niet langer met de omvang van de huidige problemen.

Anderzijds: de uitdaging, die opgeworpen is door de technische vooruitgang in de liberale maatschappij, verleent vergrote macht aan de beslissende instanties. In verband met de zeer hoge graad van ingewikkeldheid van de besluitvormende technieken, is een kloof ontstaan tussen de beslissende instanties en de massa. Dit is in zekere zin de uitdaging van technische vooruitgang aan de moderne democratie.

Dit aantal factoren heeft een levendige wens doen opkomen om het structurele evenwicht te herstellen en inspraak van de burgers in te stellen, hetgeen tegelijk het fenomeen van de Portugese regionale planning verklaart.

NOTES

INTRODUCTION

1. John Friedmann and William Alonso, "Regional Development and Planning" (Cambridge: The Massachusetts Institute of Technology Press, 1964), p. 1.

2. Ibid.

3. Perloff, Harvey S., "Key Features of Regional Planning", Journal of the American Institute of Planners, Vol. XXIV, n.º 3, p. 153.

1. NATURE AND DYNAMICS OF DEVELOPMENT AT THE REGIONAL LEVEL

1. Several explanations for this may be advanced. In the first place, it may be explained in large part by the complexity of the topic in relation to the progress made in the social sciences, and by the necessarily considerable subjectivity of the assumptions on which are based the conception of human society in a particular place and of the ideal historic destiny desired for it. On the other hand it may be thought unreasonable to expect a consensus on the matter since the concept of development and its definition are closely associated with class interests and, by extension, with national interests and ideological attitudes.

2. Compare the following statement: "Development is planned structural change on a national scale aimed at achieving a sustained rate of national social, economic and cultural growth which would otherwise be unattainable", in A. Papandreou: "The Political Element in Economic Development", Stockholm, 1966, p. 77.

3. In this connection John Friedman says: "Public policy has thus become concerned with the manner and pace of economic development of sub-national areas and distance are increasingly considered explicitly in the determination of national politics. But the conceptual structure necessary for the intelligent making of policy is in its infancy. The social sciences, principally economics and sociology have been laggard in taking notice of space; while geography, which has always dealt with space, has lacked analytic power", (John Friedmann and William Alonso in "Regional Development as a Policy Issue", Regional Development and Planning, a Reader, The M.I.T. Press, Cambridge, Massachusetts, 1964, p. 1).

4. Thus, J.G.M. Hilhorst, begins the introduction to one of his important studies as follows: "Though the title of this paper speaks of regional development theory, it should be admitted that no such thing exists. So far, economists, geographers, physical planners and sociologists have recognized the specific character of regional development as well as the need to explain the phenomenon, but neither of these scientists has been successful in presenting a doctrine. Nevertheless, the necessity for such a doctrine is being experienced more and more now that many governments in the developed and the developing parts of the world have decided to embark upon or to continue with regional planning efforts". See: "Regional Development Theory: An attempt to synthesize", by J. Hilhorst, Institute of Social Studies, The Hague, 1967, p. 1.

5. See T. Parsons, and N. I. Smelser "Economy and Society", New York, 1956, and R. Dahrendorf "Class and Class Conflict in Industrial Society", Stanford, 1959.

6. Cf. J.A. Ponsioen, National Development - "A Sociological Contribution", The Hague, 1968 Ch. 1.

7. This point is made very clear for example by Inayatullah in his: "Toward a Non-Western Model of Development" Ch. 7. in D. Lerner and W. Schramm (eds). "Communication and Change in Developing Countries", Honolulu, 1957.

8. J. A. Ponsioen, op. cit., Ch. 7.

9. This conception of development is perhaps most fully elaborated in A.O. Hirschman's "The Strategy of Economic Development", New Haven, 1958.

10. Cf. A. Papandreu, 1956, op. cit.

11. This fundamental distinction between the two broad types of planning comes from: United Nations Economic Commission for Europe, "Economic Planning in Europe", Geneva, 1965.

12. See S. Ossowski, "Social Conditions and consequences of Social Planning", Transactions of the Fourth World Congress of Sociology, Vol. II, London: International Sociological Association, 1959.

13. This conception of development dates back to I.A. Schumpeter, see his "The Theory of Economic Development", Cambridge Mass., 1954. Perroux, the father of the famous "growth poles development theory", appears to be very influenced by Schumpeter in this respect and advances a similar conception, of. his "L'Economie du XXème siècle" Paris, P.U.F., 1964. Further on this point see e.g. I.R. Lasuén: "Multi-Regional Economic Development - An open-system approach". Paper presented to the seminar on Information Systems for Regional Development, Lund (Sweden), 1969. See also: J. Friedmann "Integration of the Social System: An approach to the study of Economic Growth", Diogenes, 1961.

14. W. Thompson, "A Preface to Urban Economics", Baltimore, 1965.

15. In this sense see E.S. Dunn, Jr. "Economic and Social Development": A Process of Social Learning.

16. This trend of thought has grown out of the pioneering work of specialists such as J. Leitetopes (Ciência e Libertação, Rio de Janeiro, 1964 and J. Sabato (La Ciencia y la Tecnología en el Desarrollo Futuro de América Latina), paper delivered at the Worlds Order Conference, Bellagio, September 1968). The best summary and evaluation of this school of thought is J.R. Lasuén: "Tecnología y Desarrollo", paper presented at the Seminar of O.E.A., Caracas, 1970.

17. See, later on, the chapter: "The effect of innovations in regional development strategies".

18. For a detailed analysis of this process see J.R. Lasuén "Urbanization and development - The temporal interaction between geographical and sectoral clusters." Paper delivered at the Madrid Conference on Growth Pole Hypotheses and policies, organized by the Universidad Autónoma de Madrid, 1970.

19. Cf. T. Hägerstrand "Quantative Techniques for Analysis of the Spread of Information and Technology" in C.A. Anderson and M.J. Bowman; "Education and Economic Development", Chicago, 1965, p. 244.

20. Cf. e.g. H. Leibenstein "What can we expect from a Theory of Development", Kylos, 1966, p.p. 1-21. Cf. e.g. F. Perroux "Economic Space, Theory and Application", 1950, op. cit.

21. This point of view is particularly stressed by J. Friedmann.

22. The following descriptions are based on the general literature in the field such as e.g. J.A. Ponsioen, 1968, op. cit., E. Hagen "On the Theory of Social Change", London, 1964; A.L. "The Theory of Economic Development", London, 1966; A.O. Hirschman, 1958, op. cit.; F. Perroux 1964, op. cit. etc.

23. Cf. The United Nations Reports on the World Social Situation.
24. Cf. e.g. A.J. Kahn "Theory and Practice of Social Planning", New York, 1969. See also H.G. Johnson "The Economic Approach to Social Questions", *Economica*, 1965.
25. See for example J. Drenowski "Social and Economic Factors in Development", U.N.R.I.S.D., Geneva, 1965.
26. See the articles in A. Tiryakian (ed.) "Sociological Theory, Values and Socio-Cultural Change", New York, 1963.
27. For this aspect see for example G.A. Almond and G. Bingham Powell Jr., "Comparative Politics - A Development Approach", Boston, 1966.
28. Cf. A. Papandreu, 1967, *op. cit.*
29. John Friedmann and William Alonso, "Introduction", Regional Development and Planning, Cambridge: the Massachusetts Institute of Technology Press, 1964, p. 1.
30. *Ibid.*
31. A.O. Hirschman, "The Strategy of Economic Development", New Haven, 1958. Ch. 10, Inter regional and International Transmission of Economic growth.
32. *Ibid.*, p. 183. Hirschman uses the terms growing points and growing centres and not the French term *pole*. Furthermore, although Hirschman uses the terms polarization and polarization effects, he does not use these terms in the same way as the French school, but in the usual English meaning of widening the gap between two extremes, namely between rich and poor areas.
33. G. Cassel, "Theoretische Sozial Ökonomie", Leipzig, 1927.
34. R. Nurkse, "Problems of Capital Formation in Developing Countries", Oxford, 1953.
35. W.A. Lewis, "The Theory of Economic Growth", Homewood, Ill., 1965.
36. P.N. Rosenstein-Rodan, "Problems of Industrialization of Eastern and Southern Europe", *Economic Journal*, 1953.
37. A.W. Singer, "Economic Progress in Underdeveloped Countries", 1949, p. 10.
38. The use of the term polarization by Hirschman must not be confused with that used by Perroux, Boudeville and others. Perroux appears to use the term "effects de stoppage" in the same sense as Hirschman uses polarization effects.
39. G. Myrdal, "Economic Theory and Underdeveloped Regions", London, 1957.
40. B.J.L. Berry and A. Tred, "Central Place Studies" - A Bibliography of the Theory and Applications, Philadelphia, 1965, *op. cit.* This book contains besides a statement of the theory, an extensive bibliography on works dealing with all aspects of central place theory. A good survey can also be found in W. Bunge, "Theoretical Geography", Lund, 1962, and B.J.L. Berry, "Geography of Market Centres and Retail Distribution", Englewood Cliffs, N.J., 1967, Ch. 3-4.
41. N.M. Hansen, 1967, "Development Pole Theory in a Regional Context", *Kyklos*, 1967.
42. On this point see M. Penouil: "An Appraisal of Regional Development Policy in the Aquitaine Region" in E.A.G. Robinson "Backward Areas in Advanced Countries", London, 1969.
43. See J.R. Lasuán, A. Lorca, and J. Oria, "City Size Distribution and Economic Growth", *Estadística*, 1967. Special reference should be made to research undertaken by Lasuán. See, for example, his "Urbanization Hypothesis and Spain's Cities System Evolution", *Journal of the Institute of Social Studies (The Hague)*, 1970.

44. See for example J. Friedmann "The Strategy of Deliberate Urbanization", Journal of the American Institute of Planners, November, 1968.
 45. See in this aspect, B. Bervenuti, "Farming in Cultural Change", ch. II, Van Gorcum Assen, 1961.
 46. E.E. Lampard, "The History of Cities in the Economically Advanced Areas". Economic Development and Cultural Change, 1955, Jan.
 47. Cf. C. Furtado "Intra-Country Discontinuities: Towards a Theory of Spatial Structures". Social Science Information 1967, Dec.
 48. Cf. G. Sjöberg "Cities in Developing and Industrial Societies: A Cross-cultural Analysis". Ch. 7. in Ph. M. Hauser and L.F. Schnore "The Study of Urbanization", New York, 1966.
 49. Cf. R.L. Meier, "A Communications Theory of Urban Growth", Cambridge, Mass. 1962. See also J. Friedmann "An Information Model of Urbanization", Urban Affairs Quarterly, 1968, Dec.
 50. J. Friedmann, "Cities in Social Transformation". Comparative Studies in Social and History, July. See also his "Integration of the Social System: An Approach to the Study of Economic Growth". Diogenes 1961.
 51. J.A. Schumpeter: "The Theory of Economic Development", Cambridge (Mass.), 1954.
 52. F. Perroux, "L'économie du 20ème siècle", Presses Universitaires de France, Paris, 1964, p. 36.
 53. F. Perroux, op. cit., p. 149.
 54. See R.R. Nelson et alia, "Technology, Economic Growth and Public Policy", Washington, 1967.
 55. T. Hagerstrand, "Innovation of Diffusions as a Spatial Process", Chicago, 1967.
 56. J.R. Lasuen and F. Wasservogel: "Quelques aspects du processus de Développement du Système des Nations: Stabilité, Polarization, Diffusion", in Revue d'Economie Politique, January 1970.
 57. Who was Undersecretary of the State for the Industry till 1972.
 58. The most comprehensive set of data is contained in K. Davis and H. Hertz: "Patterns of World Organization" in United Nations Report on the World Social Situation Including Studies of Urbanization in Underdeveloped Areas, New York, 1957.
 59. As an example of the self-cancelling geographical impacts of successive innovations, see J.R. Lasuen "Multi-Regional Economic Development. An Open-System Approach"; paper presented to the October 1969, Lund Seminar on Information Systems for Regional Development (Lund University).
 60. Regularities in the spatial pattern and time order of the spread of innovations, particularly within rural societies, have been noted for quite a long time in many countries. It was however, not before Hagerstrand's pioneering work in the first part of the 1950s that a theoretical creation was laid for an understanding of how the mechanisms of the spatial diffusion of innovations work and give rise to empirical regularities of a strikingly stable nature.
- The theory posited by Hagerstrand and further elaborated by others is mainly a general positive theory purporting to explain and even predict, the process of spatial diffusion of any type of innovation, i.e. technical as well as cultural and social, in any society having its population spread out in space. In this sense, they arrived at an essentially social theory of diffusion.
- For further discussion of these and related points see T. Hagerstrand, "Aspects of the Spatial Structure of Social Communication and the Diffusion of Information", Regional Science Association papers and proceedings, 1966, p. 27.
- Therefore, diffusion in social space has been studied particularly by rural sociologists who have provided an important basis of behavioural and social theory for the study of geography.

cal diffusion. The relevant theory is surveyed in E.M. Rogers "Diffusions of innovations", New York/London, 1962. See also: H.F. Lionberger, "Adoption of New Ideas and Practices", Ames, Iowa, 1960.

For a full treatment of the adoption process see for example: F.E. Emery and O.A. Coser, "Information, Revision and Action: A Study of the Psychological Determinants of Changes in farming technique", Melbourne, 1958.

61. T. Hägerstrand, "Quantitative techniques for Analysis of the Spread of Information and Technology", Ch. 12 in C.A. Andersson and M.J. Bowman (eds.), "Education and Economic Development", Chicago, 1956.

62. J.R. Lasuén, "Multi-Regional Economic Development, An Open Systems Approach". Paper prepared for the seminar on Information Systems for Regional Development, Lund, Sweden, 1969.

63. See, for example, B.H. Stevens, G.A. Brackett, "Industrial Location - A Review and annotated bibliography of theoretical, empirical and case studies", Philadelphia, 1967.

64. P. Pottier, "Axes de communication et développement économique", *Revue Economique*, 1968, N.º 1.

65. This is typically the case of Benvenuti's research concerning the village of Winterswijk. See B. Benvenuti, *op. cit.*

66. J.G.M. Hilhorst, "On the Development of Peripheral Regions", paper read at the Conference on Regional Planning and National Development in Africa, March 1972.

67. J.G.M. Hilhorst, "Development Axes and the Diffusion of Innovation", working-paper, Institute of Social Studies, 1972.

68. *Ibid.* p. 20.

69. Or the goal setting group, or leadership, "intelligentia", "cadres intellectuelles et institutionnelles" - according to the most commonly accepted terminology. The concept of "elite" is fallen somewhat in discredit in the sociological literature for various, not only ideological, reasons. In fact, although Pareto launched his theory of the circulation of the elites, the concept of "elites" as such still retains a flavour of a naturalistic conception of a group bestowed with power by divine law. Today we prefer to speak of leadership in general fully recognizing thereby the fact that - particularly for developmental goals - the purposeful education and creation of leadership is one of the key issues of every planning policy.

70. Although the terms "backward" and "depressed" are often used interchangeably, it is useful to draw a distinction between them. Planning theory prefers to call an area "backward" when it has a potential for growth and change hitherto untapped. An area can be said to be "depressed" when its potential for growth and change based on traditional occupation has been exhausted.

Both types of areas usually require massive investment, but the latter usually requires more efforts in the social and institutional field than the former.

71. Friedmann, J., "A Conceptual Model for the Analysis of Planning Behavior", *Administrative Science Quarterly*, Vol. 12, 1967, and Friedmann, J., "Knowledge and Action, Towards a Theory of Societal Guidance".

72. A.R. Kuklinski, "Trends in Research on Comprehensive Regional Development", Geneva, 1968.

73. Edgar M. Hoover, "Some Old and New Issues in Regional Development", International Economic Association, Conference on Backward Areas in Advanced Countries, 1967.

74. Compare page 123, J.R. Roudeville, "Problems of Regional Economic Planning", Edinburgh University Press, 1966.

11. THE PORTUGUESE CASE STUDY

1. See the discussion of forces adversely affecting community or village solidarity in I. China, "Social Organization", Rural Communities: Problems, Methods and Types of Research (Paris, Unesco, 1959), pp. 19-20. See also Edward C. Bainfield, "The Moral Basis of a Backward Society" (Glencoe, Ill.: Free Press, 1958).
2. "One cannot start from a tabula rasa There is a constant procession of compromises between the past and the present", E.A.G. Robinson, "Location Theory, Regional Economics and Backward Areas", p. 3, International Economic Association, Conference on Backward Areas in Developed Countries, Varenna, Italy, 1967.
3. K. Mandelbaum - "The Industrialization of Backward Areas" - Oxford, Basil Blackwell, 1965.
4. See the interesting approach to the sociology of underdeveloped regions in the paper: A. Balfi: Observazioni a proposito di una sociologia delle aree depresse in ambito nazionale (Congrès internationale d'étude sur le problème des zones sous-développées - Milan, Italy, 10-15 Oct. 1964.
5. See, for example, E. Castro Caldas "O Problema Sociológico das formas de Exploração da Propriedade Rustica em Portugal". Lisboa, Livraria Sá da Costa, 1947; and also of the same author "Problemas da Modernização da Agricultura". Lisboa, I.U.C., 1956.
6. An exception must be made for the Social Research Office directed by the eminent sociologist Prof. Dr. Adérito Sedas Nunes.
7. See R.E. Pahl's discussion of "patron-client relationship" in his article, "The Rural-Urban Continuum", Sociologia Ruralis, Special Issue of the Fifth Congress of the European Society for Rural Sociology, Vol. IX 3-4 (1966), pp. 320-321; Regarding the loci of power outside the village community, see Donald Pitkin, Anthropological Quarterly, 32:, p.p. 161-167, specially p. 166).
8. See Álvaro Cunhal, "A Questão Agrária em Portugal". Rio de Janeiro, Editora Civilização Brasileira, 1968.
9. J. L. Ferreira Mendes, "Do Imobilismo à Mudança Acelerada nos Meios Rurais", in Análise Social. Vol. X, n.º 38, 1973-2ºt, p. 287, 297, 298.
10. René Lemarchand and Keith Legg "Political Clientelism and Development, A Preliminary Analysis". Comparative Politics Vol. 4 N.º 2 (Jan. 1972), 149-178. 151-152.
11. A.P.S.R. Vol. LXIV 1970. 411-425.
12. Ibid. p. 412.
13. Ibid. p. 412.
14. Ibid. p. 412
15. Ibid. p. 423.
16. Powell p. 424 quotes Eric Wolf: "Kinship, Friendship, and Patron-Client Relations in Complex Societies" in M. Banton (ed.): The Social Anthropology of Complex Societies. (London 1966) p. 10.
17. There are often severe limitations to arbitrary behaviour on both, sides, as discussed below.
18. Michael G. Smith: Government in Zanzibar (London 1960) 260. - quoted LeMarchand op. cit. 70.
19. Ibid.
20. S.P. Huntington: Political Order in Changing Societies. Yale U.P. 1968, p. 64.

21. Trabalhos preparatórios do III Plano de Fomento. Secretariado Técnico da Presidência do Conselho. Lisboa, 1967.

22. The study by Eugénio de Castro Caldas and Manuel dos Santos Loureiro, "Níveis de Desenvolvimento Agrícola no Continente Português", is the first work to provide a systematic collection of factors relating to the levels of development in the various districts in Portugal, and is thus a valuable source of information on this subject.

23. If "non-cultivated" Farmland, i.e. natural pasture, were included, the differences between the North and South would be a little less pronounced, but there would still be a notable disparity, especially as "non-cultivated" land is of low productivity.

24. "Recursos em Ciência e Tecnologia, Inventário de 1971". J.I.C.T.. 1972, p. 70-71.

25. J. L. Ferreira Mendes, "Planeamento Regional em Portugal". Paper presented in the "Regional Planning Course" held at Porto in 1972. Faculdade de Engenharia do Porto, 1972, pp. 3, 4, 5.

26. Castro Caldas, Eugénio. "A Integração da Agricultura no Desenvolvimento Económico" in Alguns Problemas do Meio Rural. Fundação Calouste Gulbenkian, Lisboa, 1962. See also from the same author "Modernização da Agricultura - Conferências, Palestras e Artigos". Livraria Sá da Costa, Lisboa, 1960.

27. Henrique de Barros. Estrutura Agrária Portuguesa. Editorial República. Lisboa, 1972, pp. 40-41.

28. Source: III Plano de Fomento. Secretariado Técnico da Presidência do Conselho. Lisboa, 1968, Vol. I, p. 573.

29. Source: Inquérito às Explorações Agrícolas do Continente - 1968. Instituto Nacional de Estatística. Lisboa, 1971.

30. Pautard, Jean. Les Disparités Régionales Dans la Croissance de l'Agriculture Française. Gauthier Villars. Paris, 1965, p. 143.

31. Op. cit., p. 10.

32. "Regime Jurídico da Colonização Interna". Decree-Law n.º 44720. Junta de Colonização Interna. Novembro, 1962.

33. Barbosa de Abreu, A. - Aspectos Sociais do Desenvolvimento Económico em Portugal, (Social Aspects of Economic Development in Portugal), Análise Social, second half of 1964.

34. Several countries of emigration established already international agreements with the countries of immigration in order to provide for the mediation of their employment services in the employment of their workers abroad.

35. One must stress the general low level of life of Portuguese emigrants and their lack of social integration at the countries abroad.

36. See in this aspect Alberto Alarcão e Silva, "Êxodo rural, migrações e desenvolvimento regional". Lisboa, s/ed., 1963.

37. In this aspect see: Eugénio de Castro Caldas and Manuel dos Santos Loureiro, "Regiões Homogêneas no Continente Português" (Lisbon, 1965). Fundação Calouste Gulbenkian.

38. It was the case for instance of the "Commission for the Development of the North-Eastern".

39. See J. L. Ferreira Mendes, "Planeamento Regional em Portugal". Faculdade de Engenharia do Porto, 1972, p. 1-7.

40. In this connection one must stress the potential and unexploited resource represented by the capacity and availability of the returning emigrants.

41. See for example "Plano Director da Região de Lisboa". Gabinete do Plano Director da Região de Lisboa, 1964.
42. The author worked during two years with the regional planning commission of the north.
43. Four planning regions in the continent and two planning regions in Açores and Madeira.
44. The "Secretariado Técnico da Presidência do Conselho" is the Portuguese central planning agency.
45. The study of delimitation of the planning regions was subordinated to the administrative division of the country.
46. Already in 1962, the Corporative Assembly analysed a proposal for the creation of a regional economic agency.
47. Gravier, for example, expresses the opinion that the minimum desirable population level for a region, should be about a million and a half inhabitants. J. F. Gravier, "L'aménagement du territoire et l'avenir des régions françaises," Paris, Flammarion, 1964, p. 162-163. See also "Problèmes administratifs posés par la mise en oeuvre des plans régionaux", Avis et rapports, April 14, 1960, p. 296.
48. See "Relatório Geral Preparatório para o IV Plano de Fomento". Secretariado Técnico da Presidência do Conselho, Lisboa, 1973.
49. One must stress the disturbance caused by the delay of the process.
50. Projecto do III Plano de Fomento (1968-1973). Vol. II. Lisboa, Imprensa Nacional, 1967, p. 591.
51. See methodology of demographic projection in the appendix of the "Ordenamento do Território" Report. Secretariado Técnico da Presidência do Conselho, Lisboa, 1969.
52. Ibid.
53. As obvious, the intensity of migration movements is closely related to the social-economic development rhythm of the country and of its different regions and sub-regions. Thus, if we compare the demographic evolution between 1950 and 1960 to the growth of the gross national product, both agricultural and industrial, during the same period, one sees that growth rates of industrial product corresponding to 7,5% and of the agricultural product of 1,5% per year, always correspond to population increases amounting to 1% per year. On the other hand, it has also confirmed, that industrial development more strongly influences the move of the population than the agricultural development, as districts with relatively high growth rates of agricultural product (in comparison to the average of continental Portugal) registered either demographic decrease or increases, whenever one verifies relatively low rates of increase of the industrial product (for example: in the districts of Guarda, Castelo Branco, Viseu and even in the one of Coimbra); thus hypothesis IV would only be realistic, if, during the period of twenty years taken into consideration, the development of the Continent proceeded slowly and aggravated the existing regional unbalances.
54. We do not intend to proceed to an exhaustive inventory of the potentialities of the Continent, this not being possible with the elements available. We will only present those which condition the definition of a general strategy of town and country planning, taking into consideration that they refer to a given moment, thus allowing the possibility of discovering new riches or new techniques to make possible the valorization of the territory.
55. The conclusions drawn on the urban potentialities are based on the study "The urban net of the Continent", which is included as appendix of the "Ordenamento do Território" Report.
56. Ibid., mainly on pages 23 to 27.
57. See "Trabalhos Preparatórios do III Plano de Fomento". Secretariado Técnico da Presidência do Conselho, Lisboa, 1967.
58. See Map 9, appendix of the "Ordenamento do Território" report. Secretariado Técnico da Presidência do Conselho, Lisboa, 1969.

59. See the specialized appendix on rural planning of the "Ordenamento do Território" report. Secretariado Técnico da Presidência do Conselho. Lisboa, 1969.
60. This assertion only refers to the density and not to the quality of the rail-net.
61. Projecto do III Plano de Fomento (1968-1973). Vol. II, p. 591-592. Imprensa Nacional. Lisboa, 1967.
62. Ibid.
63. Ibid.
64. The industrial structure of the Aveiro district is one of the most dynamic of Continental Portugal, the considerations about the industrial diversification and activation thus not applying to it.
65. The French designation is "aménagement du territoire".
66. Philippe Lacour, "l'aménagement du territoire". Paris, Éditions de l'Épargne, 1964, p. 7.
67. Philippe Laurent, "Aménager l'espace de l'homme", in Revue de l'action populaire, n.º 145, February 1961, p. 197.
68. Vaillon, M. Louis, "Rapport fait au nom de la Commission des Finances, de l'Économie Générale et du Plan sur le Project de Loi portant Approbation du Plan de Développement Économique et Social", n.º 1638. Imprimerie de l'Assemblée Nationale. Paris, 1966, p. 9.
69. Economie e Humanisme, "Démocratie, planification, aménagement". Paris. Les Éditions Ouvrières, 1964, p. 161.
70. Claudius-Petit, Eugène, "Pour un Plan d'aménagement du territoire". Paris: Ministère de la Reconstruction et de l'Urbanisme. 1950, p. 3.
71. Anoted from "Aménagement du Territoire, problème européen". Conseil de l'Europe. 1968, p. 9.
72. Hirschman, John, and William Alonso, eds. "Regional Development and Planning". Cambridge: The Massachusetts Institute of Technology Press, 1964.
73. Hirseman, Albert O., "The Strategy of Economic Development". New Haven: Yale University Press, 1958, pp. 192-193.
74. Ibid., pp. 190. 194-195.
75. "Regionalização dos Investimentos". Secretariado Técnico da Presidência do Conselho. Lisboa, 1973.
76. "Aspectos do Efeito dos Investimentos no Rendimento e no Emprego, por Regiões". Working paper. Divisão de Planeamento Regional do Secretariado Técnico da Presidência do Conselho. Lisboa, 1970.
77. This formulation is similar to that given in H. B. Chenery, "The Application of Investment Criteria, "Quarterly Journal of Economics", LXVII, February 1953, pp. 76-96.
78. At the same time, it should be very interesting to know the total social cost associated with each extra vehicle in the Lisbon area.
79. Alain Girard and Henri Bastide "Les Problèmes démographiques devant l'opinion", Population, XV (April-May, 1960), pp. 246-287. It's not necessary to emphasize the importance of a similar enquiry directed to the Portuguese population.
80. Ibid., p. 38.
81. Abreu, A. Barbosa de - "Aspectos Sociais do Desenvolvimento Económico em Portugal". Análise Social, second half of 1964. Lisboa.

82. Brian J.L. Berry, "Some Relations of Urbanization and Basic Patterns of Economic Development", in F.R. Pitts, ed., Urban Systems and Economic Development, London, 1962, p. 15.
83. Symposium of the United Nations on "National Policies for the establishment of new towns" Moscow, 1964, p. 15.
84. Carter, Harold, "Mid-Wales: Problems of Regional Planning". National Conference on Regional Planning. Dublin, 1965, 4.7.
85. "Regional Planning - an european problem". Council of Europe, 1968, p. 12.
86. "The Third Development Plan" (1968/1973). Separata do Planeamento Regional. Lisboa, Imprensa Nacional, 1967, p. 45.
87. Viot, Pierre, "Méthodes de planification régionale au Portugal" Rapport de mission à Lisbonne. Paris, O.C.D.D.E., 1967, p. 37-40.
88. "The Third Development Plan" (1968/1973). Separata do Planeamento Regional. Lisboa, Imprensa Nacional, 1967, p. 44.
89. J. L. Ferreira Mendes "Spatial Organization of the Portuguese Planning Regions". Speech on Regional Planning Seminar organized by the North Regional Committee in Braga. Braga, 1970, p. 7.
90. Ibid, pg. 8.
91. The decision for the establishment of Sines development pole was taken after the appraisal of "Ordenamento do Território" report.
92. This is more or less the same as the dutch formula: concentrated decentralization. See also, in this aspect A. Kuklinski "Growth Poles and Growth Centres in Regional Policies and Planning, Remarks for Discussion". United Nations Research Institute for Social Development. Geneva, October 1968.
93. While in the presente historical situation of Portugal such concept still retain a definite meaning, in several highly industrialized countries of the western world the two concepts as such seem to have become more and more problematic. As it will be seen in the following pages, the text maintains that regional planning is a mean of building a new global society in which the positive aspects of today rural and urban ways of living can be blended together.
94. J. L. Ferreira Mendes "Regional Planning in Portugal", speech for the Intensive Course on Regional Planning hold at Porto, August 1972. Secretariado Técnico da Presidência do Conselho, p. 7.
95. J. L. Ferreira Mendes, "The Organization of Rural Space". Planeamento e Integração Económica. Secretariado Técnico da Presidência do Conselho. Lisboa, 1972, p. 19.
96. In this cases, socio-economic modernization has started relatively late but has immediately taken up a mass character and snowball effects. Thus, it can be said that none of the two cultures truly prevails.
97. Cf. H. Mendras, "Sociologie de la Campagne Française". Paris, P.U.F., 1959, p. 77.
98. "The Social Consequences of Urban Growth in Europe". European Symposium of the International Conference of Social Work, hold at Noordwijkerhout, Holland, in July, 1965. Institute of Social Studies in the Hague, p. 29.
99. At this moment the Sines cabinet has not studied the problem of food supply for the pole.
100. J. L. Ferreira Mendes, "Portuguese Regional Planning". Speech in the course on regional Planning held at Porto, August 1972, p. 6.
101. J. L. Ferreira Mendes, A Organização do Espaço e das Sociedades Rurais, in "Planeamento e Integração Económica". Lisboa, (28/29) Jul-Out. 1970, p. 31-43.

102. Tonckens, N.A. and Abma, L. - Verdwindende Dorpen op het Groningen Hoogeland, with a summary in English. Wageningen, 1957.

103. By the way it is on an identical type of considerations that about 10 years ago in the Netherlands the third IJsselmeer polder was planned, where the practice of a highly modernized agriculture is made possible thanks to the existence of three minor and a major service town in the polder area itself.

104. Tonckens and Abma, op. cit., pp. 33-4

105. Hofstee, E. W. - Rural Life and Rural Welfare in the Netherlands. The Hague, 1957, p. 268-73. However, one must stress that these figures are rather old.

106. Hofstee, E. W., op. cit., p. 334. In our context it seems very important to notice that the former figures do not concern the most modern regions or the most modern farmers of the Netherlands. Indeed, a second study carried out for the North East Polder, colonized with a selected farm population, arrived at the conclusion that the minimum size for viable service-villages in this region would have to grow up to 2500 - 3500 - A. K. Constandse, Het Dorp in De IJsselmeerpolders. Tjeenkwillink, Zwolle, 1960.

107. "Ordenamento Rural" report. Secretariado Técnico da Presidência do Conselho. Lisboa, 1969.

108. Cecil Stewart, The Village Surveyed, London 1948, p. 110; C.f. also A. Danzat, La vie rurale en France, Paris, 1961; J. B. Ghanier, Citadins et ruraux, Paris, 1969, A. Meynier, Les paysages agraires, Paris, 1958.

109. F. Boulard, "Le problème d'un "optimum" de population pour les paroisses rurales", in Paroisses Urbaines; Paroisses Rurales, Tournai, 1958; P. Pinchemel, Structures Sociales et De-population dans les Campagnes Picardes de 1836, a 1936, Paris, 1957; Louis Leroy, "Regroupement municipal et villages-centres", in Le Ruralisme (Comment réaliser l'aménagement des campagnes), Paris, 1960; J. E. Brush, "The Hierarchy of Central Places in South-Western Wisconsin", in Geographical Review, vol. 43, 1953; A. K. Constandse, Het dorp in the IJsselmeerpolders (A Sociological Study on Changing Rural Culture and its Implications for Planning of Future IJsselmeerpolders), Zwolle, Netherlands, 1960 (reviewed in Sociologia Ruralis, vol. I, n.º 2, 1960); A further bibliography of studies on the subject can be found in the UNESCO publication Rural Communities: Problems, Methods and Types of Research, Paris, 1959.

110. J.H.W. Lijfering, De Omvang van de Agrarische Beroepsbevolking in de 20e Eeuw (Development of the Dutch Agricultural Population during the 20th century). With summary in English. Wageningen, 1959. C.f. also why Labour Leaves the land, International Labour Office Comparative Study of the movement of Labour out of Agriculture, Geneva, 1960; W.J. Gowie and A.K. Giles, An Inquiry into Reasons for "The Drift from the Land", University of Bristol, Selected Papers on Agricultural Economics, 1957.

111. J. Santos Varela "Studies on Emigration". A working paper. Central Planning Agency. 1970. Lisbon.

112. In this subject see for instance "will people move for work?" in New Society, N.R. December 1962.

113. C.F. Jean Coppolain, "Le Village-centre", in Le réseau urbain de la France: sa structure et son aménagement, Paris, 1959; Louis Leroy, "Regroupement municipal et villages-centres", in Le Ruralisme, Paris, 1960; "La Zone d'influence de Dieuze", in Monographie de la ville de Dieuze, Pas à Pas, n. 2, February, 1961.

114. C.f. paper presented by Mr. J.G. van den Berg, of the North Holland Regional Planning Service, to the National Conference on Regional Planning, Dublin, May, 1965, p. 38.

115. C.f. original version of paper presented by Mr. Harold Carter, Lecturer in Geography, University of Wales, to the National Conference on Regional Planning, Dublin, May, 1965, p. 7.

116. Op. cit., p. 32.
117. H. Halperin, Agrindus. Integration of agriculture and industries. Impact of Science on Society (UNESCO), 1967, n.º 1.
118. J. Newman, The urban-rural relationship, in Planning in Ireland, Dublin, May 1967 (The Town Planning Institute Conference).
119. C.H. Klaassen, Area Economics and Social Redevelopment. Guidelines for programmes. O.E.D.E., 1965, p. 112.
120. "A Rede Urbana do Continente - Hierarquia e Funcionamento". Secretariado Técnico da Presidência do Conselho. Lisboa, 1969.
121. E. Castro Caldas, Problemas da Modernização da Agricultura, Lisboa, I.U.C., 1956.
122. "Rural Ordering Report", Central Planning Office. 1969 Lisbon, p.6. Política de Ordenamento Rural. Secretariado Técnico da Presidência do Conselho. 1969. Lisbon, p. 6.
123. We are referring a proposal of the "Regional Programming Section" of the Central Planning Office. See "Program of Research for 1974". Internal paper. Central Planning Office. 1973. Lisbon, p. 5.
124. "Rural Ordering" Report. Central Planning Office. 1969. Lisbon, p. 39-40. Política de Ordenamento Rural. Secretariado Técnico da Presidência do Conselho. 1969. Lisbon, p. 39-40.
125. See "Program of Research for 1974" of the Regional Programming Section. Internal paper. Central Planning Office. Secretariado Técnico da Presidência do Conselho. 1973. Lisbon.
126. IV Development Plan (1974/1979). Secretariado Técnico da Presidência do Conselho. Lisboa. 1974, p. 49.
127. Política de Ordenamento do Território. Secretariado Técnico da Presidência do Conselho. Lisboa. 1969, p. 7.
128. Relatório de Propostas (Trabalhos Preparatórios do IV Plano de Fomento). Comissão de Planeamento da Região Norte. Porto, 1972, p. 8.
129. Milhau, "Rapport présenté au nom du Conseil Economique", in Étude sur une Politique des Économies Régionales. Paris. Presses Universitaires de France. 1957, p. 10.
130. A. Prate, "Marché Commun et Politique Régionale" in Révue d'Économie Politique, LXXIV. January-February 1964, p. 172.
131. See, for example, Rufus B. Hughes, Jr., "Interregional Income Differences: Self-Perpetuation", Southern Economic Journal, XXVIII, July 1961, pp. 41-45; E.I.R. Booth, "Interregional Income Differences", Southern Economic Journal, XXXI, July 1964, p.p. 44-51; H.S. Perloff, et al, Regions, Resources and Economic Growth. Baltimore, The Johns Hopkins Press, 1960, pp. 600-607.
132. See, for example, E. D. Domar, "Total Productivity and the Quality of Capital", Journal of Political Economy, LXXI, December 1963, pp. 586-588.
133. Theodore W. Schultz, "Investment in Human Capital", American Economic Review, LI, March 1961, p. 1. See also the series of articles on "Investment in Human Beings" in the special supplement to Journal of Political Economy, LXX, October 1962.
134. Edward F. Denison, The Sources of Economic Growth in the United States and the Alternatives Before Us (New York: Committee for Economic Development), 1962, pp. 148, 266.
135. Edward F. Denison, "Measuring the Contribution of Education to Economic Growth", in The Residual Factor and Economic Growth. Paris, Organization for Economic Cooperation and Development, 1964, p. 37.
136. Denison, The Sources of Economic Growth. New York: Committee for Economic Development, 1962, p. 74.

137. T. S. Eckaus, "Economic Criteria for Education and Training", Review of Economics and Statistics, XLVI, May 1964, pp. 181-190.

138. Economic Survey of Europe, 1954. Geneva: United Nations Department of Economic and Social Affairs, 1955, p. 151.

139. Hansen, N., "The Structure and Determinants of Local Public Investment Expenditures", in Review of Economics and Statistics, XLVII, May 1965.

140. Edgar M. Hoover, Pittsburgh Takes Stock of Itself, in Chinitz, ed., pp. 63-64. See also S. Harris, "Higher Education: Resources and Finance (U.S.A.)" in Economic Aspects of Higher Education. Paris, Organization for Economic Cooperation and Development, 1964, p. 113.

141. In particular, one must stress the importance of regional savings, which could be considerable in backward regions if the emigrants savings from abroad are directed toward local and regional investment.

142. Seminar held in Ofir, 1971.

143. See in this aspect: J. L. Ferreira Mendes "A Organização do Espaço e das Sociedades Rurais" in Planeamento e Integração Económica (28/29) Jul-Out. 1970. Secretariado Técnico da Presidência do Conselho, Lisboa, 1972; "Do Imobilismo à mudança acelerada nos meios rurais" in Análise Social, Vol. X, n.º 38. 1973. Gabinete de Investigações Sociais, Lisboa, 1973.

See also - E. Castro Caldas "Problemas da Agricultura na Política de Fomento Nacional". A.E.I.S.T. Universidade Técnica, Lisboa 1952; "A Integração da Agricultura no Desenvolvimento Económico" in Alguns Problemas do Meio Rural. Fundação Calouste Gulbenkian. Lisboa, 1962; Modernização da Agricultura (Conferências, Palestras e Artigos - 1952/59). Livraria Sá da Costa. Lisboa, 1960.

III. SOME BASIC IMPLICATIONS FOR THE PORTUGUESE REGIONAL PLANNING

1. John Friedman and William Alonso in "Regional Development as a Policy Issue", Regional Development and Planning, a Reader, The M.I.T. Press, Cambridge, Massachusetts, 1964, p. 1.

2. See J. G. M. Hilhorst, "Regional Development Theory: An Attempt to Synthesize". Multi disciplinary aspects of regional development OECD, Paris, 1969.

3. See for example Albert Hirschman, "The Strategy of Economic Development", Yale University Press, 1958; J.G.M. Hilhorst, "Una teoria del desarrollo regional", chap. II. Curso de planificación regional del desarrollo, Santiago, 1970.

4. For a more detailed statement of this definition, see G. Germani, "Secularization, Modernization and Economic Development" in S. N. Eidenstadt (ed.) Max Weber and modern theory. It is a revised version of a chapter of the book, Política y Sociedad en una época transición (Buenos Aires, Ed. Paidós, 1962).

5. For instance the notion of a "faulty strategy of development" may be connected with this idea of decision. See Drenowski, Social and Economic Factors in Development. Geneva, UNRISD, 1966, Report N.º 3).

6. This is the well-known hypothesis formulated by M. Levy, E. Hagen and others.

7. See Janus Ziolkowski, "Methodological Problems in the Sociology of Regional Development", Ref. doc. N.º 22 of the Seminar on Social Aspects of Development, ECLA, November, 1969.

8. However, in order to really "develop", regions and groups can do so only if they can exert more power on the definition of goals, of the meaning to be annexed to the symbols which direct social action, etc. (increased "defining power"). Otherwise the "development" will happen along definitions which are externally generated and imposed.

9. On the other hand, they can also be (seen as) a major way to guarantee a more equilibrated balance between central defining power and peripheric defining power.

10. John Friedmann "Regional Development Policy - A Case Study of Venezuela". The M.I.T. Press, Massachusetts, 1966 (279 pages).

11. See Dr. H.R. Vincent in his study "Laagontwikkelde gebieden in Europa - Enkele Sociologische Aspecten van het Ontwikkelingsvraagstuk", Universitaire Press Rotterdam, 1968 (308 pages). Dr. Vincent uses this approach in analyzing the relationships between sociological factors and industrial development in less-industrialized areas of Europe (English summary on pages 273-293 of his study).

12. J. Tinbergen: "Shaping the world Economy", New York 1962, pages 11-13.

13. However this statement of Tinbergen remains unclear as to the final socio-economic setting to which it is potentially conducive. Are the regional forces to be willing to accept the rules of the game purely and simply as they are for instance defined by Shell, General Motors and monopoly capital? A correction seems therefore necessary, i.e. "to accept the rules of the game as these have come about with their own (regional forces) say in them".

14. Furthermore, in their quality of socially deprived group, their potential for change and renewal is probably comparatively higher than that of the male population - at least in a growing number of specific cases and conditions.

15. J.A.A. van Doorn: Sociology and the problem of power. in Sociologia Neerlandica, 1962, p. 12.

16. Dr. J.A.A. van Doorn: Sociology and the problem of power, 1962 in Sociologia Neerlandica, 1962, volume I, N.º 1, pages 3-47.

17. UNRISD: "Goals in Regional Policies and Objectives in Regional Planning", Geneva, 1969, 56 pages.

18. Thomas A. Reiner, "The place of the ideal community in urban planning". University of Pennsylvania Press, 1963, 194 pages.

19. Françoise Ghoay, "L'urbanisme, utopies et réalités, une anthologie". Editions du Seuil, Paris, 1965, 448 pages.

20. Ruth Glass, "The Evaluation of Planning, Some Sociological Considerations", in "Regional Planning" combined nrs. 12 and 13 of Housing, Building and Planning, UN 1959, pp. 51-57.

21. In this aspect, compare the following article: Bernard, "Elements pour une recherche sur l'organisation de l'Aide (interne et externe) au développement rural". In "Développement et Civilisations". June, 1969, pages 8-23.

22. See: United Nations, European Social Development Programme: Seminar on Rural Community Development, Madrid, Spain 21-28 April 1968. Final report, 1969, page 73, on some forms of "pseudo participation".

23. Jörgen Westerstahl, "The Communal Research Program in Sweden" in: The new Atlantis, Vol. I 1970, N.º 2, pp. 124-132.

24. United Nations "Local participation in development planning", New York, 1967, 64 pages.

25. In actual the coalitions are between definite social networks across regions - or between social positions within such networks - which, it is important to notice, while supporting the reciprocal advantage of the two networks might nevertheless have substantially different global results for the respective regions.

26. See in this aspect: Crozier (Michel), "Le phénomène bureaucratique", Paris, Editions du Seuil, 1964, pg. 248-250, "L'intégration ou la coordination, nécessaire au regroupement de ce qui était épars, s'exprime par la hiérarchisation (coordination par contrat, convention, développement commun de "règles du jeu" entre différents sous-unités".)

27. T. Hernansen, Institute of Sociology, University of Bergen, Norway. Working Paper on "Changes of Power". 1970.

28. Of part of this problem one may see Lloyd Rodwin, A comparison of strategies for Urban growth. Houghton Mifflin, Boston 1970, pp. 156-210.

29. According to Professor Perroux, the main driving impulse goes from producer to consumer goods, and the necessary condition for the appearance of a growth pole is the existence of an industry exerting asymmetrical effects, with a rate of growth exceeding the average national rate. François Perroux, "L'Economie du XXème Siècle", Paris, 1961, and "Techniques Quantitatives de la Planification", Paris, 1964.

30. W. Alonso, "Urban and Regional Imbalances In Economic Development." Economic Development and Cultural Change. October 1968.

31. Similar concepts have been employed in a study of regional development and promotion of industrialization in Southern Italy - See EEC and Italconsult Study on the Promotion of an Industrial Development Pole in Southern Italy, Brussels, 1966.

32. As stated in E.B. Alayer "Location and Regional Planning - A Short Dictionary", United Nations Economic Commission for Africa, Addis Abeba, 1968.

33. Compare the concept of pecuniary external economies in T. Seitovsky, "Two concepts of External Economies", The Journal of Political Economy, New York, 1957.

34. See W.F. Luttrell, "Industrial Complexes and Regional Economic Development", paper presented to the Regional Planning Conference, Dublin - Ireland, 1969.

35. "A Rede Urbana do Continente". Appendix of the Ordenamento do Território report. Lisboa, Secretariado Técnico da Presidência do Conselho, 1969.

36. Studies carried out by the Planning Research Center, but not published yet.

37. Ibid.

38. See the bibliography in J.L. Berry and A. Fred, Central place studies. A bibliography of theory and applications. Regional Science Research Institute, Philadelphia, 1965.

39. T. Hermansen, Service Trends and Growth Centres (unpublished study).

40. Richard L. Morrill. The Development of Spatial Distribution of Towns in Sweden, a historical-predictive approach, reprinted in Friedmann and Alonso, Regional Planning, 1964. See also H.C. Bos, Spatial Dispersion of Economic Activity, Rotterdam, University Press, 1964.

41. G. Ollson, Distance and Human Interaction. A Review and Bibliography. Regional Research Institute, Philadelphia, 1965.

42. J.P. Thijsse, a Rural Pattern for the future in the Netherlands Regional Science Association papers, Vol. 7, 1963.

43. J.P. Thijsse, paper presented to the Regional Science Association Congress. The Hague, 1967.

44. J. Tinbergen, The Spatial Dispersion of Production; a hypothesis, Schweizerische Zeitschrift für Volkswirtschaft und Statistik, Vol. 97, N.º 4, 1961; for a model of the geographical dispersion of economic activity, see Revue d'économie politique, January/February, 1964, pages 30-44.

45. H.C. Bos, Spatial Dispersion of Economic Activity, Rotterdam University Press, 1964, chapters 1, 2, 7 and 8.

46. Ibid., conclusion.

47. See J. Tinbergen "The hierarchy model of the size of distribution of centres". Regional Science Association papers, Vol. XX, 1968 and research conducted by himself, H.C. Bos, J.P. Thijsse and others.

48. Yos Hilhorst, Regional Planning, Rotterdam Press University. 1971, p. 134.

49. One must be aware that the problem is formed by two different types of institutions: a) the administrative and political organizations of the State, i.e. the forms through which the whole social and economic life is governed and managed; b) the institutions of socio-economic life such as of the economy, of education, etc..

SELECTED BIBLIOGRAPHY

- ABREU, ARMANDO TRIGO DE - O crescimento regional em Portugal: análise da sua distribuição. Lisboa, Centro de Estudos de Economia Agrária, 1969, 122 p..
- ALMEIDA GARRETT, A. - A população do noroeste português - 1.ª parte. "Urbanização" Lisboa, 3 (2) 1968, p. 79-118.
- ALONSO, W. - Location (the) of industry in developing countries. In: "UNIDO; ONU - Industrial location development". Proceedings of interregional seminar, Minsk, 14-26 August 1968, New York, United Nations, 1971, 700 p.
- ALONSO, W. - The question of city size and national policy. In: "FUNCK, A. - Recent developments in regional science". London, Pion Limited, 1972, p. 111-118.
- ALONSO, W.; FRIEDMAN, J. - Regional development and planning. The Massachusetts Institute of Technology Press, 1964. "De Economia" Madrid, (97) 1967, p. 211.
- ALONSO, William - Urban and regional imbalances in economic development. "Development Digest" Washington, 7 (3) 1969, p. 67-73.
- AMARAL, Ferreira do - Futuro (O) da industrialização do país, o desenvolvimento regional e as empresas estrangeiras. "Urbanização" Lisboa, 4 (3) 1969, p. 131-136.
- Aménagement du territoire et développement régional. Vol. II. Grenoble, Centre d'Étude et Recherche sur l'Administration Économique et d'Aménagement du Territoire, 1969, 753 p.. "Revue d'Économie Politique" Paris, (6) 1969, p. 1345-1346, I.N.E.I.
- Aménagement du territoire et développement régional: les faits, les idées, les institutions 1965-1966. Grenoble, Institut d'Études Politiques, 1968, 690 p.. "Population" Paris, (2) 1969, p. 366.
- BADOUIN, Robert - Dynamique (La) de l'espace régional. "L'Économie Méridionale" Montpellier, (64) 1968, p. 1-4.
- BADOUIN, Robert; BERGER, Alain; OUZIER, Jacques - Fonctionnement économique et dynamique sociale d'une zone rurale: Vauvage et Sommierois. "L'Économie Méridionale" Montpellier, (69) 1970, p. 3-39.
- BARACHETTE, Roland - Études régionales et plan national dans les pays en voie de développement. "Revue Tiers-Monde" Paris, 9 (34) 1968, p. 347-362.
- BARROS, Henrique - Le remembrement des exploitations agricoles et l'amélioration de leurs structures internes. Fundação Calouste Gulbenkian, Lisboa, Centro de Estudos de Economia Agrária, 1961, 12 p.
- Bases de uma política de desarrollo regional para España. "Cuadernos de Documentación" Madrid, (211) 1967, p. 2-10.
- BENVENUTI, Bruno - Farming in Cultural Change. Assen, Van Gorcum, 1961.
- BOUDEVILLE, Jacques R. - Économies régionales - structure et croissance régionale. Paris, Institut de Science Économique Appliquée, 1963, 224 p.
- BOUDEVILLE, Jacques R. - Espace (L') et les pôles de croissance. Paris, Presses Universitaires de France, 1968, 232 p..
- BOUDEVILLE, Jacques R. - Problems of regional economic planning. Edinburgh, University Press, 1966, 220 p..

- BOUDEVILLE, Jacques R. - Univers (L') rural et la planification. Paris, Presses Universitaires de France, 1968, 214 p..
- BÖVENTER, Edwin von - Optimal spatial structure and regional development. "Kyklos" Bâle, 23 (4) 1970, p. 903-926.
- CAETANO, A. Alves - Desequilíbrios espaciais e planeamento regional. "Economia e Finanças" Lisboa, 34 (1) 1966, p. 133-252.
- CAETANO, Miguel; FILIPE, Carlos; PINTO, Maria Luísa Vaz; et alii - Planeamento regional. Análise comparada das diversas experiências estrangeiras. "Planeamento e Integração Económica" Lisboa, (19) Abril 1968, p. 3-41.
- CAETANO, Miguel; FILIPE, Carlos; PINTO, Maria Luísa Vaz; et alii - Planeamento regional. Os desequilíbrios regionais de desenvolvimento no continente. "Planeamento e Integração Económica" Lisboa, (20) Jul. 1968, p. 3-103.
- CALDAS, Eugénio de Castro; LOUREIRO, Manuel dos Santos - Níveis de Desenvolvimento Agrícola no Continente Português. Centro de Estudos de Economia Agrária, Fundação Gulbenkian, Lisboa, 1963.
- CALDAS, Eugénio de Castro; LOUREIRO, Manuel dos Santos - Regiões homogêneas no continente português. Primeiro ensaio de delimitação. Fundação Calouste Gulbenkian, Lisboa, Centro de Estudos de Economia Agrária, 1966, 216 p..
- Cassa (La) per il Mezzogiorno; una riveladora esperienza di desarrollo regional. "Cuadernos de Documentación" Madrid, (246) 1969, p. 1-16, I.N.I.I.
- CELESTIN, Georges - Préparation (La) régionale du développement. Paris, Institut International de Recherche et de Formation en vue du Développement Harmonisé, s/data, 25 p..
- CENTRO DE ESTUDOS DE ECONOMIA AGRÁRIA - Desenvolvimento económico, planeamento regional, conferencias. Fundação Calouste Gulbenkian, Lisboa, Centro de Estudos de Economia Agrária, 1963, 244 p..
- CHINITZ, Benjamin - Appropriate goals for regional economic policy. In: "RICHARDSON, Harry W. - Regional economics: a reader". Glasgow, The University Press, 1970, p. 180-188.
- CHOLANOVITZ, Branko - Méthodes de développement industriel - Les méthodes d'industrialisation des régions sous-développées de Yougoslavie. Paris, O.C.D.E., 1960, 21 p.
- CHRISTALER, W. - A prática do planeamento regional - "Urbanização" Lisboa, 3 (2) Jun. 1968, p. 137-140.
- C.N.R.S. - Régionalisation et développement. Colloque International du C.N.R.S. tenu à Strasbourg du 26 au 30 Juin 1967, Paris, C.N.R.S., 286 p. "Economie et Humanisme" Paris, (194) 1970, p. 92.
- COCKBURN, Cynthia - Organisation (The) of urban and regional planning research in European countries. London, Centre for Environmental Studies, 1969, 149 p.
- Colóquio sobre desenvolvimento regional realizado em Viseu de 27 a 30 de Novembro de 1968. Breve notícia acerca das comunicações apresentadas e conclusões aprovadas. "Planeamento e Integração Económica" Lisboa, (21-22) Out.-Jan. 1968/1969, p. 47-53.
- COMISSÃO DE PLANEAMENTO DA REGIÃO CENTRO - Estudos preparatórios para o IV Plano de Fomento - I Parte. Resposta ao questionário regional do S.T.P.C. Coimbra, Comissão de Planeamento da Região Centro, 1972, 100 p.
- COMISSÃO DE PLANEAMENTO DA REGIÃO CENTRO - Trabalhos preparatórios do IV Plano de Fomento. Relatório diagnóstico preliminar da Região Centro. Coimbra, Comissão de Planeamento da Região Centro, 1971, 320 p.

- COMISSÃO DE PLANEAMENTO DA REGIÃO CENTRO - Trabalhos preparatórios do IV Plano de Fomento. Relatório de propostas. Coimbra, Comissão de Planeamento da Região Centro, 1972, 412 p.
- COMISSÃO DE PLANEAMENTO DA REGIÃO DE LISBOA - Trabalhos preparatórios do IV Plano de Fomento - Opções de desenvolvimento na região-plano de Lisboa. Lisboa, Comissão de Planeamento da Região de Lisboa, 1972, 102 p., 27 mapas.
- COMISSÃO DE PLANEAMENTO DA REGIÃO DE LISBOA - Trabalhos preparatórios do IV Plano de Fomento. Resposta ao questionário do Secretariado Técnico da Presidência do Conselho. Lisboa, Comissão de Planeamento da Região de Lisboa, 1971, 12 p.
- COMISSÃO DE PLANEAMENTO DA REGIÃO NORTE - Trabalhos preparatórios do IV Plano de Fomento. Relatório de propostas. 5 Vol. Porto, Comissão de Planeamento da Região Norte, 1972, 135 p.
- COMISSÃO DE PLANEAMENTO DA REGIÃO SUL - Trabalhos preparatórios do IV Plano de Fomento. Relatório de propostas de acções e medidas para o IV Plano de Fomento - sub-região do Algarve. Évora, Comissão de Planeamento da Região Sul, 1972, 109 p.
- COMISSÃO DE PLANEAMENTO DA REGIÃO SUL - Trabalhos preparatórios do IV Plano de Fomento. Relatório de propostas. Propostas de acções e medidas para o IV Plano de Fomento: sub-região do Alentejo. Lisboa, Secretariado Técnico da Presidência do Conselho, 1972, 135 p.
- GOSTA, Manuel Silva - Portugal, país macrocéfalo. Lisboa, Publicações Europa-América, 1967, 128 p.
- GOUTINHO, Francisco Nobre; LEITE, Maria Margarida; ROQUE, Maria Teresa; et alii - Relatório de estágio - Região de Planeamento de Lisboa (Sub-região de Setúbal). 1.º Curso de Programação Económica, Lisboa, Secretariado Técnico da Presidência do Conselho, 1971, 28 p.
- CRUZ, Raul Dias da - Identificação e delimitação de uma "zona diminuída" no centro do país. Lisboa, Fundação Calouste Gulbenkian, 1963, 38 p.
- CUNHA, José Correia da - Contributo para um plano de desenvolvimento da região centro do país. Ministério da Economia, Secretaria de Estado da Agricultura, Lisboa, Junta de Colonização Interna, 1967, 169 p.
- CUNHA, José Correia da - A região centro: caracterização sócio-económica. Lisboa, Secretariado Técnico da Presidência do Conselho, 1970, 18 p. e 8 mapas.
- CUNHA, José Correia da - A regionalização do território metropolitano. Lisboa, Secretariado Técnico da Presidência do Conselho, s/d., 25 p. (Estudos de Planeamento Económico n.º 5).
- CUNHAL, Álvaro - A Questão Agrária em Portugal. Rio de Janeiro, Editora Civilização Brasileira, 1968.
- DEBARD, F.; CHARRIER, J. - Une nouvelle occupation de l'espace rural. "Économie et Humanisme" Paris, (186) 1969, p. 21-29.
- Développement (Le) des régions rurales en stagnation. "L'Observateur de l'O.C.D.E." Paris, (30) Oct. 1967, p. 16-26.
- DREWE, Paul - Investigação social e planeamento regional. "Informação Social" Lisboa, 2 (7) Jul./Set. 1967, p. 5-22.
- E.C.E. - Recherche dans le domaine de l'aménagement urbain et régional. Vol. I, Vol. II, Vol. III. New York, Nations Unies, 1969, Vol. I, 131 p.; Vol. II, 168 p.; Vol. III, 113 p.
- E.F.T.A. - Regional development policies in E.F.T.A. Geneva, E.F.T.A., 1965, 71 p.
- FEDERWISCH, Jacques - Objectifs, conclusions et structure d'un modèle de développement régional. Bruxelles, Sorca S.A., 1970, 35 p.

FILIPPE, Carlos - Equilíbrio sectorial e desenvolvimento regional. "Urbanização" Lisboa, 3 (4) 1968, p. 229-250.

FRIEDMANN, John; ALONSO, William - Regional development and planning: a reader. Cambridge, Massachusetts Institute of Technology Press, s/data, 722 p.

GILLIE, F.B. - Basic Thinking in Regional Planning. The Hague, Mouton, 1967.

GLIKSON, Arthur - Regional planning and development. Six lectures delivered at the Institute of Social Studies, at The Hague 1953. Leiden, A. W. Sijthoff's Uitgeverij N.V., 1955, 120 p.

GRAVIER, J.F. - Réforme (La) régionale. Paris, Flammarion, 1969, 233 p.. "Revue d'Économie Politique" Paris, (2) 1970, p. 368.

GUERRA, MARIA DO CÉU; ALVES, Maria Luísa; ESCUDEIRO, Maria Isabel; et alii - Relatório de estágio. Região Plano do Centro (Zona da Cova da Beira). 1.º Curso de Programação Económica, Lisboa, Secretariado Técnico da Presidência do Conselho, 1971, 53 p.

HALL, Peter - The Theory and Practice of Regional Planning. London, Pamberton Books, 1970.

HANSEN, Niles M. - Development pole theory in a regional context. In: "RICHARDSON, Harry W. - Regional economics: a reader". Glasgow, The University Press, 1970, p. 134-149.

HERMANSSEN, T. - Spatial Organization and Economic Development. Institute of Development Studies, University of Mysore, 1971.

HILHORST, I. - Regional Planning. Rotterdam University Press. 1971

HOFSTEE, E. W. - Rural Life and Rural Welfare in the Netherlands. The Hague, 1957.

INSTITUTO NACIONAL DE ESTATÍSTICA - Estatísticas e indicadores regionais. Lisboa, Instituto Nacional de Estatística, 1970, 189 p., (Série Estatísticas Regionais n.º 1).

ISARD, Walter; ISARD, Peter - General social, political, and economic equilibrium for a system of regions. Part II. "Papers" Philadelphia, (15) 1965, p. 7-25.

ISARD, Walter - Location and space-economy. A general theory relating to industrial location, market areas, land use, trade, and urban structure. Cambridge, Massachusetts, Massachusetts Institute of Technology Press, 1962, 350 p.

Jornadas sobre desenvolvimento regional realizadas em Coimbra de 17 a 20 de Junho. Breve notícia sobre os seus objectivos e conclusões. "Planeamento e Integração Económica" Lisboa, (20) Jul. 1968, p. 107-113.

JUNTA DISTRITAL DE ÉVORA - I encontro sobre desenvolvimento regional da Região-Plano Sul. Évora, Junta Distrital de Évora, 1969.

KLAASSEN, Leo H. - Aménagement économique et social du territoire: directives pour les programmes. Paris, O.C.D.E., 1965, 126 p.

KLAASSEN, Leo H. - Area economic and social redevelopment, Guidelines for programmes. Paris, O.C.D.E., 1965, 116 p., (Developing Job Opportunities n.º 1).

KLAASSEN, Leo H. - Methods of selecting industries for depressed areas - an introduction to feasibility studies. Paris, O.C.D.E., 1967, 155 p., (Developing Job Opportunities n.º 2).

KLATZMANN, Joseph - Optimun de population agricole et planification interrégionale. "Cahiers de l'I.S.E.A." Genève, 2 (1) 1968, p. 129-178.

KUKLINSKI, Antoni R. et alii - Pôles de développement et centres de croissance dans le développement régional. Paris, Dunod, 1970, 126 p.

- LAANSMA M. - Développement régional aux Pays-Bas. In: "Premier Congrès International d'Economie Régionale: aspects internationaux des problèmes d'économie régionale". Bruxelles, Institut de Sociologie Solvay, 1959, p. 386-390.
- LABASSE, Jean - Organisation (L') de l'espace. Paris, Hermann, 1966, 606 p..
- LAJUGIE, Joseph - Développement économique régional et aménagement du territoire. Paris, Imprimerie Jouve, 1964, 440 p..
- LANVERSIN, Jacques de - L'aménagement du territoire et la régionalisation. Paris, Librairies Techniques, 1970, 394 p..
- LOBÃO, António José Vaz da Silva Cortês de - Aproveitamento social agrário dos grandes regadios. Lisboa, Junta de Colonização Interna, 1960, 24 p..
- LOUREIRO, Manuel dos Santos - Assimetrias (As) espaciais de crescimento no continente português, Vol. I. Lisboa, Instituto Nacional de Investigação Industrial, s/d., 181 p..
- LOUREIRO, Manuel dos Santos - Assimetrias (As) espaciais de crescimento no continente português, Vol. II. Lisboa, Instituto Nacional de Investigação Industrial, s/d., 181 p., (Estudos n.º 4).
- LOUREIRO, Manuel dos Santos - Problemática do desenvolvimento regional. Lisboa, Instituto Nacional de Investigação Industrial, 1961, 132 p.
- MACHADO, José Luís Pinto - Planos regionais e planeamento territorial. Lisboa, Direcção-Geral dos Serviços de Urbanização, 1960, 45 p..
- MALASSIS, Leo - Croissance économique et espace rural. Rennes, s/ed., 1966, 34 p..
- MARTIN, Alejandro - Planificação (A) regional em Espanha. In: "CENTRO DE ESTUDOS DE ECONOMIA AGRÁRIA - Desenvolvimento económico - planeamento regional - conferências". Lisboa, Centro de Estudos de Economia Agrária, 1963, 244 p..
- MAZOT, J. - Aménagement du territoire et action régionale. In: "I.R.F.E.D. - Cours de l'Institut de formation, Vol. III". Paris, Institut International de Recherche et de Formation en Vue de Développement Harmonisé, s/d., 279 p..
- MENDES, José Luís Ferreira - A organização do espaço e das sociedades rurais. "Planeamento e Integração Económica" Lisboa, (28/29) Jul.-Out. 1970, p. 31-43.
- MENDES, José Luís Ferreira - A Reforma Agrária, essa Desconhecida. Lisboa, C.O.D.E.S., 1970.
- MENDES, José Luís Ferreira - Do Imobilismo à Mudança Acelerada nos Meios Rurais, in "Análise Social", Vol. X, n.º 38. 1973-2.ºt.
- MENDES, José Luís Ferreira - Planeamento Regional em Portugal. Comunicação proferida no âmbito do Curso de Planeamento Regional realizado na Faculdade de Engenharia do Porto, s/local de edição, s/editor, 1972, 16 p..
- MENDES, José Luís Ferreira - Regional Planning as a Decision - making process - Lessons from European Experience and Perspectives to Fourth Development Plan in Portugal. The Hague, Institute Of Social Studies, 1971.
- MENDES, José Luís Ferreira - Rural-Urban Integration. The Hague, Institute Of Social Studies, 1971.
- MIHALOVIC, K. - Relationship Between Sectors and Regions - in ROBINSON, E.A.G. (ed.) - Backward Areas in Advanced Countries. London, McMillan. 1969.
- MILHAU, Jules - Regionalização (A) do plano em França. In: "CENTRO DE ESTUDOS DE ECONOMIA AGRÁRIA - Desenvolvimento económico - planeamento regional - conferências". Fundação Calouste Gulbenkian, Lisboa, Centro de Estudos de Economia Agrária, 1963, 244 p..
- MOURA, Francisco Pereira de - Localização das indústrias e desenvolvimento económico. Lisboa, Gabinete de Investigações Económicas do Instituto Superior de Ciências Económicas e Financeiras, 1960, 149 p..

MURTEIRA, António Manuel Santos - Disparidades fiscais e desenvolvimento regional. "Economia e Sociologia - Estudos Eborenses" Évora, (12) 1971, p. 63-69.

MYRDAL, G. - Economic Theory and Under-development Regions, London, Duckworth Co. 1957.

O.C.D.E. - Aperçus sur les déséquilibres régionaux dans les pays de l'O.C.D.E. "Problèmes Économiques" Paris, (1187) 1970, p. 19-24.

O.C.D.E. - Aspects multidisciplinaires du développement régional - Réunion Annuelle des Directeurs de l'Institut de Formation et de Recherche en Matière de Développement, Montpellier, 7-12 Septembre 1967, Paris, O.C.D.E., 1969, 298 p..

O.C.D.E. - Développement régional et croissance économique. "L'Observateur de l'O.C.D.E." Paris, (45) 1970, p. 40-42.

O.C.D.E. - Développement (La) des régions rurales en stagnation. "L'Observateur de l'O.C.D.E." Paris, (30) 1967, p. 16-18

O.C.D.E. - O.E.C.D. seminary on regional development and accelerated growth: Portugal. Lisboa, Comissão Técnica de Cooperação Económica Externa, s/d., 23 folhas policopiadas.

O.C.D.E. - Policies for regional development. Paris, O.C.D.E., 1967, 137 p..

O.C.D.E. - Politique régionale. Vol. I e II. Paris, O.C.D.E., 1966, 129 p. + 79 p..

O.C.D.E. - Politiques et programmes pour le développement des régions rurales: analyse comparative de quelques zones rurales. 5 vols. Paris, O.C.D.E., 1966. "Population" Paris, (6) 1968, p. 1133.

O.C.D.E. - Programmes (les) de développement régional rural avec référence spéciale aux zones agricoles critiques et notamment aux régions montagneuses. Paris, O.C.D.E., 1964, 345 p., 7 mapas, (Documentation dans l'Agriculture et l'Alimentation n.º 66).

O.C.D.E. - Regional development - industrial mobility - problems and methods. Paris, O.C.D.E., 1968, 2 p., I.N.I.I.

O.N.U. - Decentralization for national and local development. New York, United Nations, 1962, 248 p..

O.N.U. - European Seminar on The Social Aspects of Regional Development. Geneva, United Nations, 1965.

O.N.U. - Local Participation in Development Planning. New York, United Nations, 1967.

PAELINCK, Jean - Note sur l'allocation optimal des ressources entre les diverses régions d'un territoire. "Cahiers de l'I.S.E.A." Paris, 13 (142) Out. 1963, Série L, p. 30-33.

PAELINCK, Jean - Théorie (La) du développement régional polarisé. "Cahiers de l'I.S.E.A." Paris 15 (150) Mar. 1965, Série L, p. 5-47.

PENOUIL, M. - Politique Régional et Pôles de Croissance. Centre Européen Sciences Sociales, Colloque de Mons, 1968 (mimeographed).

PESSOA, Vítor Rodrigues - Perspectivas de desenvolvimento na região de Lisboa. "Informação Social" Lisboa, (19) 1970, p. 77-79.

PESSOA, Vítor Rodrigues - Prospective view into the process of interregional plan formulation in Portugal - The Fourth Development Plan. The Hague, Institute Of Social Studies, 1971.

Regional planning in post-industrial society: some policy considerations. "Journal of Farm Economics", (45) 1963, p. 1073-1082. "De Economia" Madrid, (97) 1967, p. 211.

Régionalisation et développement. Strasbourg, C.N.R.S., 1967, 286 p. "Revue Tiers-Monde" Paris, 10 (37) 1969, p. 240.

- ROBINSON, E.A.G. - Backward areas in advanced countries. London, MacMillan, 1969, 474 p..
- SILVA, Alberto Alarcão e - Êxodo rural, migrações e desenvolvimento regional. Lisboa, s/ed., 1963, 20 p..
- TINBERGEN, Jan - Planning for regions and sub-regions within a region. "Econometria" Connecticut, 35 (5) 1967, p. 53.
- TINBERGEN, Jan - Some principles of regional planning. Rotterdam, Netherlands Economic Institute, s/d., 18 fols..
- VANNESTE, Olivier - The Growth Pole Concept and the Regional Economic Policy. Bruges, Collège d'Europe. 1971.
- VARELA, José Augusto dos Santos - Ordenamento (O) do espaço rural. Alguns conceitos e tendências. "Planeamento e Integração Económica" Lisboa, (23-24) Abril-Julho 1969, p. 21-37.
- VIOT, Pierre - Méthodes de planification régionale au Portugal. Rapport de consultant, programme d'assistance technique 1967, projet AT (67) 9, programmation du développement économique, Paris, O.C.D.E., 1967, 22 p. e 1 mapa.
- VIOT, Pierre - Méthodes de planification régionale au Portugal. Rapport de consultant, programme d'assistance technique 1968, Portugal, projet n.º AT (68) 10, Paris, O.C.D.E., 1968, 23 p.
- VIOT, Pierre - Méthodes de planification régionale au Portugal. Rapport de mission à Lisbonne du 25 Juin au 15 Juillet et du 26 Octobre au 4 Novembre 1967, Paris, O.C.D.E., 1967, 50 p. e 1 mapa.
- WILMET, J. - Théories de l'aménagement régional dans les pays en voie de développement. In: "I.R.F.E.D. - Cours de l'institut de formation. Vol. III". Paris, Institut International de Recherche et de Formation en vue de Développement Harmonisé, s/d., 279 p..
- ZIOLKOWSKI, A. Janusz - La sociologie du développement régional, ses problèmes méthodologiques. Programme IV. Genève, U.N.R.I.S.D., 1969, 39 p..

CURRICULUM VITAE

The author is an expert on regional development planning at the Portuguese Central Planning Agency, in Lisbon.

This thesis is based on his work concerning regional planning carried out in said Agency during the last eight years, namely his technical assistance to the "Planning Regions" of the North and South of Portugal as well as his participation in the report on "Política Nacional de Ordenamento do Território" (National Town and Country Planning Policy) and in the definition of regional development policy pertaining to the last two Portuguese development plans.

In 1972, together with other foreign planners, he taught regional planning in a course, which was held in the Oporto Engineering University, and is presently working on a research and teaching program for the "New University of Lisbon".

He studied agronomic sciences at the Agricultural University of Lisbon (1958-1963) and achieved his master's degree (1968) with mark of honour, having presented, after two years of work "in loco", a thesis on "Guinean Regional Development", which was published by the Guinea Research Center, in Bissau.

In 1970 he began his research work for his Ph. D. degree in Holland. He was awarded his diploma on regional development planning by the Institute Of Social Studies, in the Hague, where he presented, for this purpose, a research paper named "Regional Planning As A Decision-Making Process" which was published by "Junta de Investigação Científica e Tecnológica", in Portugal.

Since then he was worked on his PH. D. thesis under the leadership of Professor Hofstee, of the Rural Sociology Department (Division of Western Countries) of the Wageningen University.

ERRATA

<u>PAGE</u>	<u>LINE</u>	<u>WERE IS PRINTED</u>	<u>SHOULD BE PRINTED</u>
16	21	integration ,	integration .
20	3	stressed ,	stressed .
29	10	Furthermoe	Furthermore
29	two before the last	politians	politicians
35	23	analyzing	analysing
37	12	contetr	context
45	25	Hirschamand	Hirschman
47	14	streassed	stressed
48	9	critized	criticized
54	22	on Tünen's	Van Tünen's
133	39	markes	markets
139	29	imigration	emigration
149	16	delas	deals
157	1	iot	not
173	7	critisism	criticism
173	27	guarant	guarantee
175	17	ablo	able
177	9	integration ,	integration .
178	20	publicized	published
189	10	mas	was
191	6	tillable	tillage
195	24	thst	that
196	one before the last	rythm	rhythm
202	10	analyses	analysis
205	12	incidenc	incidence
236	2	whe	we
239	2	integreted	integrated
240	2	thne	then
245	11	tackeld	tackled
257	17	firts	first
293	21	institutions	institutions
295	26	buth	but
299	2	theprevious	the previous

<u>PAGE</u>	<u>LINE</u>	<u>WERE IS PRINTED</u>	<u>SHOULD BE PRINTED</u>
307	one before the last	adoption	adoption .
328	24	pressure ,	pressure .
329	two before the last	acess	access
332	13	nadional	national
341	15	netter	matter
342	13	girling	giving
342	19	system superlocal	system of superlocal
354	17	Adjustment do	Adjustment to
362	36	from the	from them
367	32	managerical	managerial
375	6	analyses	analysis
377	14	hypotheses	hypothesis
378	12	analyzed	analysed
379	11	disequilibrium	disequilibrium
380	12	"zones fortes"	"zonas fortes"
394	17	expecially	especially
399	22	withont	without
399	24	expecially	especially
often	-	imbalance or inbalance	unbalance